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Canada Fisheries Prices Support Board

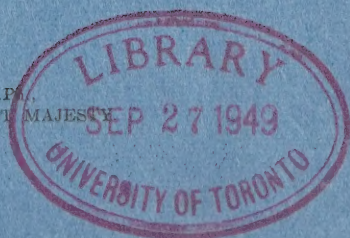


CANADA

SECOND  
ANNUAL REPORT  
of the  
FISHERIES PRICES  
SUPPORT BOARD

For the Year  
1948-49

OTTAWA  
EDMOND CLOUTIER, C.M.G., B.A., L.P.M.  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY  
CONTROLLER OF STATIONERY  
1949





OFFICERS AND MEMBERS OF THE BOARD

*Chairman (Acting)*

STEWART BATES  
Deputy Minister of Fisheries  
Ottawa

*Vice-Chairman*

W. STANLEY LEE  
Halifax, N.S.

*Member*

LOUIS BÉRUBÉ  
Ste-Anne-de-la-Pocataire, Que.

*Member*

K. F. HARDING  
Prince Rupert, B.C.

*Member*

COL. J. W. NICHOLLS  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa

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CANADA

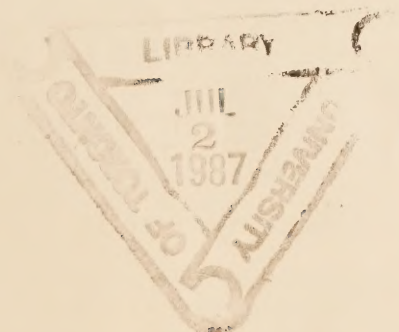
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CONTROLLER OF STATIONERY

1949







OTTAWA, June, 1949.

THE HONOURABLE ROBERT W. MAYHEW,  
MINISTER OF FISHERIES,  
OTTAWA.

SIR,

I have the honour to submit herewith the second Annual Report of the Fisheries Prices Support Board for the fiscal year 1948-49.

Yours sincerely,

IAN S. McARTHUR,  
(*Acting Chairman*)

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# FISHERIES PRICES SUPPORT BOARD

## ANNUAL REPORT 1948-49

### INTRODUCTION

#### *The Fisheries Prices Support Act, 1944*

The Fisheries Prices Support Act was assented to August 15, 1944. Section 9 of the Act, the Section which empowers the Board to buy and sell fisheries products and to make deficiency payments was proclaimed on July 23, 1947.

The Act (Section 9(2)) instructs the Board, as follows:—

“In prescribing prices . . . , the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.”

The Act gives the Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the methods that may be used to support the prices of fisheries products. These methods are (a) the purchase and sale of any fisheries products and (b) the making of deficiency payments to producers of fisheries products equal to the amount by which the average prices of such products fall below the prescribed prices during a specified period.

All decisions of the Board about products meriting support and about support prices are subject to approval by the Governor in Council.

#### *The Fisheries Prices Support Board*

The Act of 1944 provided for a Board consisting of not more than five members including a chairman and vice-chairman. The appointment of all five members was approved by the Governor in Council on July 23, 1947. The original members were still serving at the end of the period under review.

The Statute Law Amendment (Newfoundland) Act, assented to on March 25, 1949, increased the Board membership to six. No appointment of an additional member had been made by the end of the fiscal year.

The original Act also provided for the appointment by the Board of Advisory Committees. Under this authority, three regional Advisory Committees and a National Advisory Committee were formed. Five members, drawn from among fishermen and the industry sit on each of the Regional Committees representing the East Coast, the Inland lakes and the West Coast respectively. The Chairman and Vice-Chairman of these Committees form the National Advisory Committee. There has been only one change in membership since the Advisory Committees were formed.

The staff of the Board is divided into three Divisions, Executive, Research, and Marketing. The Board staff is as fully integrated with that of the Department of Fisheries as possible in order to avoid duplication of personnel or expense. The Board makes use of the services of the Legal, Personnel, Publicity and Economic Research Divisions of the Department. Certain officials of the Board have been assigned to these Divisions to assist in dealing with work arising out of Board activities.



## ECONOMIC CONDITIONS—FISHERIES 1948-49

Generally speaking, the fisheries in 1948 enjoyed a continuation of wartime and post-war prosperity. At the same time, however, certain weaknesses began to appear in the markets for some species and forms of product because of dislocations in international trade and the emergence of food surpluses in North America as the financing of world trade became more difficult. Total landings of all species reached an estimated total of 1,370 million pounds in 1948. The landed value or gross return to fishermen from the sea and inland fisheries has been estimated at \$73.4 million as compared with \$57.5 million in 1947. The marketed value of all fishery products was approximately \$135 million as compared with \$124.5 million for the previous year.

On the Pacific Coast, the fishery, based mainly on the valuable salmon and halibut species, enjoyed a good year, both from the standpoint of the fishermen and the processors. While certain market difficulties were encountered as a consequence of import restrictions in Commonwealth markets for canned salmon, the 1948 pack has now moved into consumption with the exception of a relatively small carry-over of the chum variety. Sales of fresh and frozen salmon and halibut on the domestic and U.S. markets were well sustained. The herring fishery had a record catch which was, for the most part, reduced into oil and meal for which the market remained strong throughout 1948.

On the Atlantic Coast, there was a substantial recovery from the poor season of 1947. Cod and lobster are the major species on that Coast, although herring, sardine and many other species make important contributions in certain localities. The landed value for the East Coast, that is the provinces of Nova Scotia, New Brunswick, Prince Edward Island, and Quebec, amounted to \$30.9 million as compared to \$25.5 million in 1947. Markets for the fresh and frozen forms, principally in Canada and the U.S., continued strong throughout the year. The salted fish markets of the West Indies and Central and South America absorbed all available supplies at satisfactory prices. The canned fish branch of the industry, like that of the Pacific Coast, suffered a restriction of its markets but with the aid of the programme carried out by the Fisheries Prices Support Board all 1948 production was moved into consumption.

No special market difficulties were encountered in the inland fisheries until late in the fiscal year. Then the producers of winter caught fish from Manitoba lakes suffered a sharp reduction in the U.S. market for their product as a result of severe winter weather conditions which interfered with the normal distribution of this fish to the rural areas of the mid-west. As indicated later in this Report, this problem was brought to the attention of the Fisheries Prices Support Board and action was recommended to the Government.

The fisheries of all regions depend heavily on foreign markets for a high proportion of their sales. The pattern of trade in 1948 showed a considerable shift from the wartime and post-war relief period, and from that of prewar years. The United States market gained in significance as other markets, particularly those in the sterling area became more restricted. This concentration in a few markets tends to make the industry more vulnerable to changes within any single market. Certain forms of Canadian production cannot reach the American market however, because of limited use of the product in that market, or because of high tariff barriers.

As a result of the continuing high levels of income to the industry, some further progress was made through the investment of new capital, both in the primary and secondary branches of the industry. In New Brunswick, particularly, the introduction of small draggers to the Caraquet area, assisted by subsidies from the Dominion and loans from the Provincial Governments, resulted in a sharp increase in production of groundfish and consequent greater income to the fishery of that area. Much remains to be done, however, particularly in the Atlantic Coast areas before the fishing industry at large is in a position to exploit the fishery as a whole in a most efficient manner.

## REQUESTS FOR BOARD ACTION

In view of the over-all economic prosperity which prevailed throughout the year ending March 31, 1949, the Board was not called upon to meet requests for any widespread measures of support. Rather, requests which came before the Board tended to be of an isolated nature based on local problems of a particular fishing area or for a particular product. In all, the Board gave consideration to some sixteen applications for support from organized groups within the industry. These requests came from all geographic regions of the fisheries, and indicated that any deterioration from the conditions of 1948 will bring forth many new requests for support.

In 1948, prosperity did not reach into every individual fishing area, particularly on the Atlantic Coast. However, the Board had to recognize that all cases of low income to fishermen or groups of fishermen did not arise out of low prices. Prices generally were good but in those areas which have historically suffered from depressed income, the basic problem was found to be low productivity and, in certain instances, a lack of development within the local processing branches of the industry. In dealing with such cases, the Board was obliged to refer them to the Department of Fisheries rather than recommending solutions under the limited powers of the Prices Support legislation.

In appraising requests for support for specific fisheries, the Board laid greatest stress on the income position of the fishermen but also tried to assess other factors related to the problem before it. The Board paid attention also to the opportunities available to fishermen in a particular area for supplementing their income through other more lucrative fisheries, or through sources of income outside the fishing industry.

## SUPPORT PROGRAMMES

### *Support of Prices of East Coast Fish*

On March 25, 1948, Order in Council P.C. 1229 was passed authorizing the Board to purchase not more than 190,000 cases of the 1948 pack of East Coast canned herring, mackerel and cod and related species as a means of ensuring stable prices to fishermen for these species. The Order in Council prescribed the prices at which these commodities should be purchased from canners and provided that the canners be required to pay to the fishermen for raw fish prices comparable to those paid in 1947. The prescribed prices were the same as were paid in the Government's post-UNRRA relief programme of late 1947.

Factors taken into account by the Board in recommending this support measure to the Government were:

- (i) The fishermen of the Atlantic Coast area in 1947 had experienced an over-all decline of 33 per cent in gross income in the face of generally rising costs and continued increases in the incomes of those engaged in other occupations.
- (ii) The market situation early in 1948 indicated little likelihood of large scale foreign relief purchases of fishery products, particularly of canned fish, pickled fish or smoked fish (bloaters). The production of all these items had been increased sharply during the war, at government request. This was definitely a problem of readjustment for the industry from war to peace and thus justified some Board action. It was considered that storage and disposal of the canned fish would present the least problem to the Board because of the perishability of the two other items.
- (iii) It was believed that the limited purchase of canned fish by the Board would lend general support to the industry bringing confidence rather than a demoralized market.

- (iv) The price decision was based on the judgment of the Board and its advisory committee as being the lowest which could be paid for the canned article while at the same time stabilizing the price to the fishermen in order to prevent any further reduction in their over-all gross incomes.

A subsequent Order in Council passed on May 18th made provision for the funds required for the purchase.

The Board appointed Canadian Commercial Corporation at its agent to take delivery of and to warehouse the Board's purchases. Canadian Commercial Corporation was paid a commission of one-half per cent of the cost of the purchases, payment being made from a special appropriation of Parliament for the purpose.

The Board offered to purchase, on a quota basis, from all canneries reporting production of the prescribed varieties during 1947. Individual quotas were fixed as a percentage of each cannery's 1947 pack, while the percentage used (37.4%) was determined from the relationship that the maximum authorized purchase (190,000 cases) bore to the total 1947 production. When final adjustments had been made, quotas totalling 189,397 cases had been allotted to 125 canneries as follows: New Brunswick, 95,853 cases; Prince Edward Island, 45,112 cases; Nova Scotia, 35,535 cases, and Québec, 12,897 cases.

Deliveries against these quotas amounted to 151,026½ cases valued at \$1,088,671.65. Full details as to the quantities of the various varieties purchased and the cost of this support project are to be found in Appendices "A" and "B" of this report.

The disposal of the canned fish presented a serious problem. Constant contact was maintained with international and domestic relief agencies throughout the purchase period in an effort to consummate sales at prescribed or reduced prices. Such outlets as cat and dog food and soup manufacturers were thoroughly canvassed and an offer was made to suppliers and exporters generally to resell the fish at prescribed prices for approved export shipment.

The actual disposal was as follows:

(i) Commercial sales to exporters at prescribed prices.....	3,036	cases
(ii) Sales to United Nations International Children's Emergency Fund at discount of 15 per cent .....	7,479	"
(iii) Government authorized gift to Middle East Relief through Canadian Red Cross Society, free at dockside Saint John, N.B. ....	40,000	"
(iv) Government authorized gift to United Nations for relief of displaced persons in Middle East.....	55,657	"
(v) Government authorized gift to Canadian public and charitable institutions .....	44,819½	"
(vi) Samples and spoilage .....	35	"
Total .....	151,026½	"

While arrangements had been completed to dispose of the entire purchase of the Board before March 31, 1949, certain stocks still remained in warehouse on that date pending shipment. These are reflected in the Profit and Loss Account as "Inventory March 31, 1949".

#### *Support of Prices of Manitoba Lakes Frozen Fish*

In February, 1949, representations were made to the Board by the Provincial Government of Manitoba and by associations representing both



fishermen and fish dealers that the fishermen on Lakes Winnipeg, Winnipegosis and Manitoba and certain northern Manitoba lakes were urgently in need of support. Almost five million pounds of various types of fish in the hands of these fishermen appeared to be in surplus supply and substantial amounts were still on the lakes under natural refrigeration and in danger of spoilage as the weather softened.

After a thorough investigation by the Board staff, the following facts were ascertained:

- (i) This winter fish, taken through the ice and naturally frozen, is normally sold by the fishermen to local agents, who in turn sell to Winnipeg exporters. Usually the fishermen are financed during the season by these agents, and a final settlement to the men is reached after the fish is exported.
- (ii) The decline in U.S. food prices, and the unfavourable weather and road conditions which had curtailed the "mail-order" sales to farmers, had led to reduced buying by the U.S. Importers (who usually take about 90 per cent of the catch). Export sales had declined by about one-third from the level of the previous winter.
- (iii) The Winnipeg dealers were holding heavier stocks than usual, of fish they had purchased, and especially of fish reaching them on consignment from the lakes. They had recently discontinued buying. Manitoba fishermen had thereby sold less than half their last year's quantities. The surplus fish was threatened with spoilage, unless action was taken to buy and move it from the lakes into cold storage warehouses in Winnipeg.

The Board thereupon recommended for the approval of the Governor in Council that it be authorized to purchase a total of not more than five million pounds of frozen whitefish, saugers, pike, pickerel, trout and tullibee owned by fishermen at prices approximating 80 per cent of the then going price for frozen fish.

On March 10, 1949, Order in Council P.C. 1148 was passed authorizing the Board to undertake this support project.

A subsequent press release announcing that the Board would purchase this fish at cold storage warehouses in Winnipeg resulted in immediate shipment of those quantities still on the lakes thus eliminating the danger of spoilage from warmer weather.

The remaining weeks of the 1948-49 fiscal year were devoted to preparations for launching the support programme. No expenditures for this purpose, however, were made before the end of the fiscal year.

## RESEARCH ACTIVITIES

### *Production and Income*

Throughout 1948, the Board maintained a small staff of field men operating in all major fishing areas to ascertain background and current information on the levels of incomes to fishermen, the costs of fishing operations and other factors pertaining to the well-being of the fishermen in relation to the responsibility of the Board in this connection. These investigators carried out on-the-spot surveys arising out of requests to the Board for support which provided the Board with a sound basis for reaching decisions. A special study of fishermen's incomes and the factors affecting them was carried out during the summer of 1948 on the Gaspé Peninsula, the North Shore of the Gulf of St. Lawrence and the Magdalen Islands.

### *Processing*

In order to better appraise conditions in the Atlantic Coast fish canning industry, a comprehensive survey of costs and other economic factors associated with this branch of the industry was carried out by accountants attached to the Board staff. The report indicated that many of the several hundred small canneries operating on that Coast were operating in a manner not conducive to efficiency nor to the production of a high quality product.

### *Marketing*

*Domestic*—A comprehensive study of the per capita consumption of fish by species and by regions was carried out under the direction of the Board, in cooperation with the Dominion Bureau of Statistics. Factual information was secured from the processing and wholesaling branches of the industry which revealed a wide variation in rates of consumption as between provinces and principal urban markets. The consumption of fish in the Prairie Provinces and in the rural sections of Ontario and Quebec was demonstrated as being extremely low in relation to consumption in the coastal provinces and in the larger cities such as Toronto and Montreal.

As a further extension of this type of research, a detailed survey of the Toronto market is planned for 1949 with particular emphasis on the retail branch of the trade. This survey will endeavour to point up the factors within the retail trade which seem to be inhibiting the sale of fish products to consumers.

*Foreign*—The foreign markets for fisheries products have been kept under continuous review by economists of the Board staff in cooperation with the Export Division and the Foreign Trade Service of the Department of Trade and Commerce. The object of this service has been to pass on to the industry the most up-to-date information possible which might be helpful to them in developing and expanding markets. Comprehensive reports of these investigations were published in October 1948 and February 1949. Monthly reports are provided to the trade through the Department of Fisheries publication "Trade News".

*General*—In cooperation with officials of the Department of Fisheries, the Board has worked with other Departments of Government concerned to assist the industry in every way possible in dealing with current marketing problems as they arise.

### **STAFF**

As of March 31, 1949, there were 20 full-time employees on the staff of the Board, as follows:

1 Executive Director	1 Secretary to Executive
1 Marketing Officer	1 Clerk Grade 4
1 Assistant Director	1 Jr. Administrative Ass't
9 Economists	1 Clerk Grade 3
1 Ass't to Legal Adviser	1 Stenographer Grade 3
1 Editor Grade 2	1 Stenographer Grade 2

In addition to the above, a Technical Consultant was employed for the period March 21 to June 21, 1949, to advise the Board on matters connected with the purchase of Manitoba frozen lake fish, mentioned earlier in this report.

**EXPENDITURES 1948-49**

During the fiscal year 1948-49, the following administrative expenses were incurred by the Board:

Salaries .....	\$ 68,783.53
Travelling Expenses .....	26,225.46
Printing, Stationery and Office Equipment....	3,254.00
Miscellaneous .....	1,885.66
Total .....	<hr/> \$100,148.65

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.



## Appendix "A"

## FISHERIES PRICES SUPPORT ACCOUNT

## CANNED FISH PURCHASES DURING 1948-49

Variety	Grade	Cases of 48	Cost  \$        cts.	Wooden Cases	
				Number	Cost \$        cts.
Chicken Haddie.....	Fancy.....	35,098	315,690 16	7,984	3,992 00
	Standard.....	13,159	105,059 71	5,290	2,645 00
Cod.....	Fancy.....	413	3,717 00	—	—
	Standard.....	465	3,720 00	—	—
Finnan Haddie.....	Fancy.....	5,111	48,554 50	3,414	1,707 00
	Standard.....	738½	6,277 25	513	256 50
Flaked Fish.....	Fancy.....	1,499	13,491 00	396	198 00
	Standard.....	600½	4,804 00	—	—
Flaked Hake.....	Fancy.....	7,377	66,393 00	7,377	3,688 50
Herring 10's.....	Fancy.....	11,804	56,003 69	—	—
	Standard.....	2,269	9,870 15	—	—
Herring 15's.....	Fancy.....	48,680	260,005 47	9,386	4,693 00
	Standard.....	4,719	22,181 92	1,009	504 50
Mackerel.....	Fancy.....	13,841½	113,932 92	225	112 50
	Standard.....	3,272	23,725 63	—	—
Mackerel Fillets.....	Fancy.....	1,730	15,570 00	1,183	591 50
Totals.....	.....	150,776½	1,068,996 40	36,777	18,388 50

150,776½ cases canned fish .....	\$1,068,996.40
36.777 wooden boxes @ 50c .....	18,388.50
	<hr/>
	\$1,087,384.90
Inward shipping charges .....	40,207.19
	<hr/>
	\$1,127,592.09
Less adjustment for over-refund from C.N.R. (Adjusted April 1949) .....	50.75
	<hr/>
Total purchases 1948-49 .....	\$1,127,541.34
Plus 250 cases Herring 15's Fancy delivered during 1948-49 but for which payment was made in April, 1949 .....	1,337.50
	<hr/>
	\$1,128,878.84

## Appendix "B"

### FISHERIES PRICES SUPPORT ACCOUNT

#### PROFIT AND LOSS ACCOUNT, 1948-49

Receipt from Sales .....	\$ 12,976.43
Purchases 1948-49 (including \$39,623.05 storage and handling charges, etc.) ..	\$1,167,164.39
Less Inventory March 31, 1949 .....	634,433.11
	<hr/>
Cost of Sales .....	532,731.28
	<hr/>
Gross Loss .....	\$ 519,754.85
General Expenses (Freight out, etc.) ....	19,233.50
	<hr/>
Net Loss .....	\$ 538,988.35
	<hr/>















*Canada Fisheries Prices Support Board*



CANADA

THIRD  
ANNUAL REPORT  
of the  
FISHERIES PRICES  
SUPPORT BOARD

For the Year  
1949-50

OTTAWA  
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY  
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1950



OFFICERS AND MEMBERS OF THE BOARD

*Chairman (Acting)*

I. S. McARTHUR  
Director of Economics and Statistics  
Department of Fisheries  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

L. BÉRUBÉ  
Ste. Anne de la Pocatière, Que.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
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1950



OTTAWA, June, 1950.

THE HONOURABLE ROBERT W. MAYHEW,  
MINISTER OF FISHERIES,  
OTTAWA.

SIR,

I have the honour to submit herewith the third Annual Report of the Fisheries Prices Support Board for the fiscal year 1949-50.

I have the honour to be,

Sir,

Your obedient servant,

IAN S. McARTHUR,

*(Acting Chairman)*



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# FISHERIES PRICES SUPPORT BOARD

## ANNUAL REPORT 1949-50

### INTRODUCTION

#### *The Fisheries Prices Support Act, 1944*

The Fisheries Prices Support Act was assented to on August 15, 1944.

Section 9 (2) of the Act instructs the Board as follows:

"In prescribing prices . . . . ., the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations."

The Act gives the Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the methods that may be used to support the prices of fisheries products. These methods are (a) the purchase and sale of any fisheries products and (b) the making of deficiency payments to producers of fisheries products equal to the amount by which the average prices of such products fall below prices prescribed during a specified period.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

The Act was made specifically applicable to the tenth province by the Proclamation issued on April 1, 1949 in connection with the entry of Newfoundland into Confederation.

During the Second Session of the Twenty-first Parliament, Bill No. 54 (An Act to amend The Fisheries Prices Support Act, 1944) was introduced. The purpose of the Bill was to place Section 9 of the Act, which defines the powers of the Board, on the same permanent basis as other sections of the Act. Bill No. 54 received The Royal Assent on March 30, 1950 and the Fisheries Prices Board thereby became a continuing agency of Government.

#### *The Fisheries Prices Support Board*

The Act of 1944 provided for a Board consisting of not more than five members including a chairman and a vice-chairman. The first five members were appointed by Governor in Council on July 23, 1947 and with the exception of the chairman, were still serving at the end of the period under review. The original chairman, who was also Deputy Minister of Fisheries, resigned because of pressure of Departmental duties and was succeeded by Mr. Ian S. McArthur, Director of Economics and Statistics, Department of Fisheries, on May 3, 1949.

The Statute Law Amendment (Newfoundland) Act, assented to on March 25, 1949, increased the Board membership from five to six. On November 16, 1949, Order in Council P.C. 37/5805 was passed appointing Mr. Harold I. Mifflin of Catalina, Newfoundland as the sixth member of the Board.

The original Act also provided for the appointment by the Board of Advisory Committees. Under this authority and with the approval of the Governor in Council, three regional Advisory Committees and a National Advisory Committee were formed. Five members, drawn from among fishermen and the industry sat on each of the Regional Committees representing the East Coast,

the Inland lakes and the West Coast respectively. The Chairmen and Vice-Chairmen of these Committees formed the National Advisory Committee.

The experience of the Board during the last two years indicated that special temporary Advisory Committees appointed on a commodity or on a restricted regional basis would better have served the purposes of the Act. As a result, the Standing Committees were dissolved by Order in Council P.C. 39/5805 of November 16, 1949. They will be replaced by others of a temporary and specific nature as occasion warrants.

The staff of the Board is divided into three divisions, Executive, Research, and Marketing. The Board staff is as fully integrated with that of the Department of Fisheries as possible in order to avoid duplication of personnel or expense. The Board makes use of the services of the Legal, Personnel, Publicity and Economic Research Divisions of the Department and certain officials of the Board have been assigned to these Divisions to assist in dealing with work arising out of Board activities.

### ECONOMIC CONDITIONS—FISHERIES 1949-50

The fisheries of Canada as a whole continued to prosper during the year 1949. Registered landings were down by 8 per cent and there was a slight set back in total marketed values from the record levels of 1948 due to this lower production, to decreased prices for a number of items (especially oils), and to the closing or constriction of certain export markets. Nevertheless, the returns from the fisheries were still close to peak values.

Total landings of all species—including an estimate for Newfoundland and the fresh water fisheries—reached a total of about 1.8 billion pounds, indicating a satisfactory yield. The landed value or gross return to fishermen in the Maritime provinces, at \$28.8 million, was down \$1.7 million from 1948 levels, but was still over \$3 million higher than income in 1947. On the Pacific Coast, landed values were \$27.3 million, down \$5 million from 1948 but still higher than in any other year. In the inland fisheries, returns were higher. The landed value of the Newfoundland fisheries is as yet difficult to estimate but it would also appear to have been higher.

The total marketed value of all fishery products, including Newfoundland, was approximately \$170 million compared to about \$180 million for the two countries in 1948. The domestic market was strong, but exports were down by about 12 per cent in terms of value. In 1948, Canada and Newfoundland together exported to other countries, a record total value of \$120.4 million worth. In 1949 this total had dropped to \$106.2 million due to a combination of a 10.4 per cent decline in terms of product weight and a 1.6 per cent drop in terms of average unit price. The slight price decline was caused by the price adjustments in the U.S.A. market during the first half of the year, and to the break in the oil market, which was not compensated for by somewhat higher prices (in terms of the Canadian dollar) after devaluation in September.

On the Pacific Coast, the fishery enjoyed a good year. Landings have been high in recent years though the 1949 total of 514 million pounds represented a decrease of 62 million pounds from the 1948 level. This drop is attributable chiefly to a decline in the catch of herring from the record catch of the previous year. The pack of canned salmon at 1,433,700 cases was 125,000 cases higher than in 1948 and did not present the same marketing problem because of the E.C.A. financed shipment of \$7.15 million worth to the United Kingdom, and the vigorous efforts of the industry to expand domestic consumption. Sales of fresh and frozen salmon and halibut were well sustained. The chief difficulty which arose on that coast was the drastic drop in prices of vitamin oils due to the competition of renewed Japanese exports to the U.S. market.



In the Maritime region, landings have also been maintained on a high level. The 1949 catch of 663 million pounds, although 36 million pounds smaller than that of the previous year, was still 153 million pounds above the 1935-39 average. Compared with 1948, landings of cod and allied species suffered a marked decrease, especially in Nova Scotia: the drop in sardine landings had an even greater impact on the New Brunswick industry. Nova Scotia landings had a total value of \$18.0 million compared with \$18.5 million in 1948. New Brunswick landed values dropped from \$7.5 million to \$6.1 million. Prince Edward Island's catch fell slightly in value, from \$2.2 million to \$2.0 million, but the value of Quebec's landings actually rose, from \$2.7 million to at least \$2.8 million. Apart from 1946 which was a record year for the East Coast, and 1948, the 1949 results were the highest reported in this fishery. Markets for the fresh and frozen forms were down early in the year as inventory adjustments took place in the U.S.A. but recovered to the extent that there was actually a marked shortage of groundfish filets. The salted fish markets in the West Indies absorbed increased supplies readily. Canned fish production was down considerably, having adjusted itself to normal market possibilities for this product.

In Newfoundland, fishing was good during 1949, the total catch being estimated at about 520 million pounds. The 1949 production of salted cod at over 1,050,000 quintals was at a high level, but restricted marketing opportunities in the Mediterranean markets and Brazil brought about a difficult marketing situation so that a substantial carry-over into 1950 was experienced.

Early in 1949, the inland fisheries encountered a marketing problem which called for action on the part of the Fisheries Support Board. This matter was cleared up and the marketing situation has been very favourable since. Exports of fresh water fish in 1949 amounted to 62.1 million pounds, valued at \$14.1 million, an increase of 6.0 million pounds and \$0.5 million over 1948. The total catch is estimated to have been 94 million pounds, about 10 million pounds more than in 1948.

The fisheries industry has been undergoing extensive changes during the past few years and is faced with the necessity for further progressive adjustments. First, canned fish production was stimulated during the war to a great expansion and then readjusted back to more normal levels with some interim transitional aid from the Fisheries Prices Support Board. The salt fish situation was very favourable until the marketing of 1949 production and this sector of the industry is now also being faced with somewhat of a rehabilitation problem. The pattern of trade is in flux and the only reliable and expanding market has been the North American market with the result that a partial reconversion is in order to divert more of total production to those forms which are acceptable to the North American palate. During 1949, the Minister of Fisheries announced a programme for the development of Canada's commercial fisheries, designed to expand markets and give industrial aid for special areas. The industry itself has continued to invest in new capital goods, particularly since the trawler policy of the Government was changed to permit the licensing of new trawlers built in United Kingdom yards, or of the better type of second-hand trawlers bought either in the United Kingdom or in the United States on the condition that a new keel be laid down in Canada. These developments should bring about considerable change in coming years, and should result in improving the long term prospects for the industry.

## REQUESTS FOR BOARD ACTION

As in 1948-49, general economic conditions, particularly in the North American markets, were such that the industry did not suffer any widespread loss of revenue and consequently there was no general demand for action by the Board. Nevertheless, the commodity and regional picture was spotty and



required constant review. The depressed condition of the oil market, both for marine oils and vitamin oils, called for much discussion and some indirect assistance from the Government in aiding the industry to market these products. The sealing industry of the Atlantic Coast region experienced a particularly difficult time with much lower prices prevailing for both oil and skins. At the close of the marketing year the problem of finding a satisfactory outlet for the 1949 salted cod production of Newfoundland was given detailed attention by the Board and the Government.

\* The generally low income position of many areas on the Atlantic Coast, due to causes other than price, gave rise to many individual requests for support action, but because of the nature of the problem the Board could do no more than to recommend action other than price support for the ultimate solution of such problems.

## SUPPORT PROGRAMME

### *Support of Prices of Manitoba Lakes Frozen Fish*

Order in Council P.C. 1148 of March 10, 1949 authorized the Board to purchase not more than five million pounds of frozen whitefish, sauger, pike, pickerel, trout and tullibee produced in the prairie provinces and prescribed the prices at which these species should be purchased. The prescribed prices were approximately 80% of the then going prices for frozen fish. A subsequent Order in Council increased the number of forms in which the prescribed species could be purchased and also authorized the Board to pay such handling, storage and other charges as were necessary.

No purchases of frozen lake fish were made prior to April 1, 1949.

Factors taken into account by the Board in recommending this support measure to the Government were:

- (i) Almost five million pounds of various species of fish, owned by both fishermen and traders on Lakes Winnipeg, Winnipegosis and Manitoba and certain northern Manitoba lakes, appeared to be in surplus supply and substantial amounts were still on the lakes under natural refrigeration and in danger of spoilage as the weather softened.
- (ii) The winter fish is normally sold by the fishermen to traders who in turn sell to exporters. Usually the fishermen are financed during the season by these traders and a final settlement to the fishermen is reached after the fish are exported.
- (iii) The decline in U.S. food prices, and the unfavourable weather and road conditions which had curtailed the "mail order" sales to farmers, had led to reduced buying by U.S. importers (who usually take about 90 per cent of the catch). Export sales had declined by about one-third from the level of the previous winter.
- (iv) The Winnipeg dealers were holding heavier stocks than usual of fish they had purchased and especially of fish reaching them on consignment from the lakes. They had recently discontinued buying. Manitoba fishermen had therefore sold less than half their previous year's quantities. The surplus fish was threatened with spoilage unless action was taken to buy and move it from the lakes into cold storage warehouses in Winnipeg.

A Press Release announcing that the Board would purchase this fish at cold storage warehouses in Winnipeg, resulted in immediate shipment of the quantities still on the lakes. The Board then made it known that quantities of the prescribed species of good merchantable quality would be purchased from the fishermen and traders until the allowable maximum of five million pounds had been bought.

Deliveries of fish to the Board amounted to 3,376,802 pounds valued at \$281,740.43. Full details as to the quantities of the various species purchased and the cost of this support project are to be found in Appendices "A" and "B" of this report.

198 fishermen and 53 traders availed themselves of this support programme. The Board made no purchases from wholesalers or exporters. The fishermen received \$136,018.78 and the traders, \$145,721.65 directly from the Board. In each instance the cheque in payment for the fish was made payable to the individual who owned it and he was required to specify in writing where the cheque should be sent.

The disposal of the frozen fish presented a serious problem particularly so as it came into the Board's possession after its normal marketing season was over. Agents were appointed to explore market possibilities and to make sales in the Montreal and Toronto markets and the possibilities of sales to fish reduction plants and to fur farmers were thoroughly investigated by the Board. The actual disposal was as follows:

(i) Sold for reduction to fish meal.....	2,328,503 lbs.
(ii) Sold to fur farmers for fox and mink feed.....	968,665 "
(iii) Sold in Toronto retail market for human consumption (at going prices).....	31,209 "
(iv) Used for filleting and reduction experiments.....	35,911 "
(v) Used in training Federal fisheries inspectors in Winnipeg	10,112 "
(vi) Spoilage and weight discrepancies.....	2,402 "
Total.....	3,376,802 lbs.

## DISPOSAL OF INVENTORY AS AT MARCH 31, 1949

### *East Coast Canned Fish*

During the fiscal year 1948-49 the Board supported the prices of East Coast fish by purchasing 151,026½ cases of canned cod and related species, herring and mackerel. While arrangements had been completed to dispose of the entire purchase of canned fish before March 31, 1949, certain stocks still remained in warehouses at that date pending shipment. These were reflected in the Profit and Loss Account for that fiscal year as "Inventory March 31, 1949" and amounted to \$634,433.11.

During the fiscal year covered by this report these remaining stocks moved into consumption. Although the final pattern of disposal was substantially in accord with that shown in the second Annual Report, minor changes occurred. The actual disposal for the whole purchase was as follows:

(i) Commercial sales to exporters at prescribed prices...	2,810 7/48 cases
(ii) Sales to United Nations International Children's Emergency Fund at discount of 15 per cent....	7,479 "
(iii) Government authorized gift to Middle East Relief through Canadian Red Cross Society, free at dockside Saint John, N.B.....	40,000 "
(iv) Government authorized gift to United Nations for relief of displaced persons in Middle East, free at dockside Saint John, N.B.....	55,662 "
(v) Government authorized gift to Canadian public and charitable institutions, free at cars Saint John, N.B.....	45,044 45/48 "
(vi) Samples and spoilage.....	30 20/48 "
Total.....	151,026 ½ cases

The loss incurred during 1949-50 in disposing of the balance of this fish amounted to \$604,985.56 as shown in detail in Appendix "B". The loss incurred during the previous fiscal period was \$538,988.35. The total cost therefore of this support programme was \$1,143,973.91.

## RESEARCH ACTIVITIES

In the field, the four research economists of the Board carried out on the spot surveys of conditions in many fishing communities and fisheries in response to instructions by the Board arising out of requests for support. In the Maritime provinces and Quebec, some fifty fishermen were induced to keep regular daily accounts of their fishing activities in order to provide data on costs and relative efficiency under varying conditions. Summerizations of data so collected will be published as soon as the books are closed and analyzed. The accounting started in May of 1949.

At Headquarters, the research activities of the Board's staff was divided into the fields of production and marketing economics, with greater emphasis being placed on the marketing side. A group of three economists was engaged in a continuous study of factors affecting the demand for fishery products in all markets, both domestic and foreign and in following the production pattern in major competing countries. The results of these studies are passed to the industry through the monthly Departmental publication "Fisheries Trade News" and in periodic "Market Review and Outlook" reports.

A second type of market research, that of intensive studies of particular markets, was carried out by another group. This work was concentrated on the Toronto market in 1949. The study included the collection of data on the total flow of all types of fish (other than canned) into the Toronto market and its distribution through various outlets such as chain stores and other retail shops, restaurants and hotels, fish and chip shops, institutions and so forth. Detailed analysis of the data collected is going forward and a report will be published at an early date for the benefit of the industry generally and the Department of Fisheries.

A preliminary study of the transportation problems of fish distribution was undertaken during the summer of 1949. This work will be continued.

On the side of production research, the work at Headquarters was confined to a study of the efficiency of different types of fishing craft operating in the offshore fisheries of the Atlantic Coast region. The study involved the analysis of historical records of a large number of craft operating over a period of years. A preliminary report has been distributed to the vessel owners for consideration and the work is being carried forward in 1950.

The research staff also undertook many special investigations of economic problems referred to it by the Board or the Department. The work of the Board's staff and that of the Department in this field has been closely integrated under one head.

## STAFF

As at March 31, 1950 there were 23 full-time employees on the staff of the Board, as follows:

1 Executive Director	1 Clerk Grade 4
1 Marketing Officer	1 Administrative Ass't Grade 1
1 Assistant Director	1 Clerk Grade 3
10 Research Economists	2 Stenographers Grade 3
1 Departmental Solicitor Grade 2	1 Clerk Grade 2A
1 Editor Grade 2	1 Stenographer Grade 2
1 Technical Officer Grade 1	

In addition to the above, one Economist Grade 2 was employed on a part-time basis.

**EXPENDITURES 1949-50**

During the fiscal year 1949-50, the following administrative expenses were incurred by the Board:

Salaries and Wages.....	\$75,108.02
Allowances.....	2,730.00
Printing, Stationery and Office Equipment.....	2,046.97
Travelling Expenses.....	22,475.53
Sundries.....	1,671.31
	<hr/>
Total.....	\$104,031.83

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.



## Appendix "A"

## FISHERIES PRICES SUPPORT ACCOUNT

MANITOBA LAKES FROZEN FISH PURCHASES DURING 1949-50

Species	Form	Pounds	Prescribed Price per pound ¢	Cost
Whitefish.....	Dressed.....	152,044	13	\$19,765.72
Whitefish.....	Round.....	2,398	13	311.74
Sauger.....	Round.....	469,950	10	46,995.00
Pike.....	Round.....	161,034	6½	10,467.21
Pike.....	Headless.....	396,031	8½	33,662.65
Pickrel.....	Round.....	759,825	14	106,375.50
Trout.....	Dressed.....	3,671	14	513.94
Trout.....	Headless.....	1,115	14	156.10
Tullibee.....	Round or Dressed (Boxed)	1,341,688	4½	60,375.96
Tullibee.....	Round or Dressed (Bagged)	89,046	3½	3,116.61
Totals.....		3,376,802		\$281,740.43

## Appendix "B"

## FISHERIES PRICES SUPPORT ACCOUNT

## PROFIT AND LOSS ACCOUNT, 1949-50

## EAST COAST CANNED FISH SUPPORT PROGRAMME

Receipt from Sales.....	\$ 56,322.13	
Accounts Receivable.....	1,812.50	\$ 58,134.63
	<hr/>	
Inventory, March 31, 1949.....	\$634,433.11	
Purchases 1949-50.....	1,465.46	
	<hr/>	
	\$635,898.57	
Less: Inventory, March 31, 1950.....	Nil	
	<hr/>	
Cost of Sales.....		635,898.57
		<hr/>
Gross Loss.....		\$577,763.94
		<hr/>
General Expenses: Storage, handling, etc.....		27,221.62
		<hr/>
Net Loss.....		\$604,985.56

## MANITOBA LAKES FROZEN FISH SUPPORT PROGRAMME

Receipt from Sales.....		\$ 47,242.81
Purchases.....	\$281,740.43	
Less: Inventory, March 31, 1950.....	Nil	
	<hr/>	
Cost of Sales.....		281,740.43
		<hr/>
Gross Loss.....		\$234,497.62
		<hr/>
General Expenses: Storage, handling, etc.....		30,310.27
		<hr/>
Net Loss.....		\$264,807.89
		<hr/>
Total Loss for 1949-50.....		\$869,793.45













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*Canada Fisheries Prices  
Support Board*



CANADA

FOURTH  
ANNUAL REPORT  
of the  
FISHERIES PRICES  
SUPPORT BOARD

For the Year

1950-51

OTTAWA  
EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY  
CONTROLLER OF STATIONERY  
1951



OFFICERS AND MEMBERS OF THE BOARD

*Chairman (Acting)*

I. S. McARTHUR  
Director of Markets and Economics Service  
Department of Fisheries  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

L. BÉRUBÉ  
Ste. Anne de la Pocatière, Que.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

Col. J. W. NICHOLLS  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa



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1951



OTTAWA, June, 1951.

THE HONOURABLE ROBERT W. MAYHEW,  
MINISTER OF FISHERIES,  
OTTAWA.

SIR,

I have the honour to submit herewith the fourth Annual Report of the Fisheries Prices Support Board for the fiscal year 1950-51.

I have the honour to be,

Sir,

Your obedient servant,

IAN S. MCARTHUR,

*(Acting Chairman)*

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## FISHERIES PRICES SUPPORT BOARD

### ANNUAL REPORT 1950-51

#### THE FISHERIES PRICES SUPPORT ACT, 1944

The Act which came into force in July, 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

Twice during the year under review, The Fisheries Prices Support Act was amended by Acts of Parliament having broad application to the Statutes of Canada.

Subsection 2 of section 11 of the Act, which provided for the publication and tabling of regulations in Parliament, was repealed by section 10 of The Regulations Act (1950, 14 George VI, Chap. 50). As a consequence, such regulations as the Governor in Council may make under authority of the Fisheries Prices Support Act will now be dealt with in accordance with the provisions of The Regulations Act.

The other amendment to the Fisheries Prices Support Act is contained in section 10 of An Act to Amend the Statute Law (1950, 14 George VI, Chap. 51) and provides for a new subsection (3a) to section 3 of the Act. This amendment makes it possible for legal proceedings to be taken against the Board without the Governor General's fiat and for the Board itself to take legal action in any court that would have jurisdiction if the Board were not an agent of His Majesty.

#### ECONOMIC CONDITIONS—FISHERIES 1950-51

The year 1950 was generally satisfactory to most branches of the Canadian fishing industry. Both the quantity of fish landed and its value to fishermen were high and so was the marketed value of the end products.

Total landings of all species of fish (including landings in Newfoundland) came close to 2 billion pounds—6 per cent more than the year before—and were worth about \$94 million to fishermen—a record return 15 per cent above the \$82 million of 1949.

On the Pacific Coast the gains were particularly high. The total catch was 610 million pounds, valued to fishermen at nearly \$36 million. Both these figures are records and represent increases of 15 and 31 per cent, respectively, over

those of 1949. The heavy salmon catch, a satisfactory herring fishery and high salmon and halibut prices were mainly responsible for these results. On the other hand, the continuing weakness of the market for vitamin oils greatly reduced the fishing effort for grayfish and similar species.

The Inland fisheries more than maintained the 1949 level of production and also benefited from higher prices for most species. Manitoba fishermen did particularly well with a whitefish catch one third heavier than in 1949 and with sauger landings doubled. Ontario landings, on the other hand, dropped 18 per cent, but higher prices helped to keep fishermen's returns a little above the previous year's level. A decline in the catch was also registered at Great Slave Lake.

The fishermen of the Maritimes and Quebec caught a total of 726 million pounds of fish and shellfish in 1950 (9 per cent more than in 1949) which returned to them \$33 million compared with \$29 million the year before. Record landings of lobster and of halibut and other flatfish together with higher prices for these species and for haddock accounted for most of the increase. Cod catches were slightly lower and were sold at prices averaging 6 per cent below those obtained in 1949. Herring and sardine prices were low so that an increased catch yielded smaller returns to fishermen than in the previous year. The mackerel run was poor but prices were 9 per cent better than in 1949. The smelt fishery compared favourably with that of the previous year.

The Newfoundland catch of cod was well below that of 1949 because of a reduced fishing effort following the difficulties that had been encountered in the disposal of that year's production of salted fish. The herring fishery also was below average, but salmon and lobster proved good sources of income for fishermen. The seal and whale fisheries were curtailed because of market conditions.

The marketing picture in 1950 was again characterized by two somewhat contradictory factors: the continued and even intensified high level of economic activity throughout the world and the restrictions and trade diversions originating from the world dollar shortage. The net result was that products that sold mainly in the North American market, such as fresh and frozen fish and shellfish, had on the whole a better marketing year than such products as cured fish which depend largely on overseas markets.

Among the fresh and frozen products, West Coast salmon and halibut from both coasts did exceptionally well and sold at record prices. Production of groundfish fillets was also high—about 20 per cent above that of 1949 in the Maritimes and Quebec and showing an even greater increase in Newfoundland. The production was readily disposed of in Canada and the United States at prices averaging above those of the preceding year. The market for inland fish which is mostly consumed in the U.S.A. was also strong with average prices about 20 per cent higher than in 1949.

The recent weakening in shellfish prices occurred too late to have any noticeable effect in 1950. The record catches of lobster in the Maritimes and Newfoundland were sold at prices averaging slightly above those of 1949 and the market for other shellfish was also strong through most of the year.

The volume of fish canned in 1950 was somewhat greater than in 1949 and though exports declined further, there was no marketing problem, due to the increased absorption of the products on the domestic market. The total salmon pack on the West Coast was only slightly greater than in the previous year (1.48 million cases as against 1.43 million), but as 1950 was a sockeye year, this species accounted for 408,000 cases compared with only 260,000 the year before and the marketed value was more than correspondingly higher, since the chief species obtained better prices. The pack of canned sardines on the East Coast was 707,000 cases, an increase of 20 per cent over 1949 and disposal took place at or above that year's prices.

The marketing of cured fish continued to be attended by difficulties, though these were more successfully overcome than in 1949. The output of salted cod was considerably reduced, particularly in Newfoundland, by curtailment of production as well as by diversion of catches to the fresh and frozen market. In the Maritimes and Quebec, the output of salted cod and related species was lower by 14 per cent, in Newfoundland by nearly 20 per cent. There was however a substantial carry-over of 1949 production in Newfoundland. Disposal of most of the combined stocks was effected at prices that were in some instances substantially below those of the year before and prices support had to be given with regard to the 1949 fish left in the hands of fishermen and to the Labrador cure fish produced in 1950. Production of pickled fish was low in 1950 due chiefly to poor catches and markets were indifferent. Smoked fish did reasonably well.

The market for fish meal and oils continued to be depressed in the early part of 1950, with considerable improvement later. Meal production increased by about 10 per cent in the West, 25 per cent in the East, even more in Newfoundland, but prices averaged below those of 1949. The production of body oils (mainly herring oil) also increased by about 25 per cent, but prices were low on the average. Output of liver and visceral oil on the West Coast was cut drastically to about one-fifth of the 1949 production and the East Coast also reduced its output to a small extent. Prices were very low. Whale and seal oils were produced in somewhat larger quantity in the West with reduced production in the East. Average prices were above the 1949 level.

In 1950, the Canadian fishing industry continued to make progress in increasing its efficiency and in reducing its dependence on markets that have become difficult of access. Improvements in catching and processing methods as well as in merchandising and marketing are reflected in the growing importance of higher-priced products acceptable particularly in the expanding North American market. The efforts of the industry in this direction have been in line with the objectives of the Government which has contributed much technical, economic and market information and has endeavoured to stimulate public interest in the fisheries.

## PRICES SUPPORT PROGRAMMES

### *Newfoundland Salted Codfish*

Order in Council P.C. 3163 of June 29th, 1950 authorized the Board to purchase from Newfoundland fishermen not more than 16,000 quintals (1,792,000 pounds) of the 1949 Newfoundland catch of various grades, sizes and cures of salted codfish and prescribed the prices at which this fish should be purchased. The prescribed prices were 66.6 per cent of the prices received by fishermen for their 1948 production, according to grade, size, cure and area of production. The Order in Council also authorized the Board to pay such handling, storage, packaging and other charges as were necessary.

Factors taken into account by the Board in recommending this support measure to the Government were:

- (1) The annual production of approximately 100 million pounds of salted codfish is the main source of income for one-third of the population of Newfoundland. Normally, half this production is sold in the Mediterranean area, the balance sharing the Western Hemisphere markets with the 40 million pounds of mainland production.
- (2) Despite special arrangements with the United Kingdom for sales in Europe for sterling, international currency restrictions and market uncertainties hampered sales and there still remained, by the middle of May, 1950, a very substantial carry-over of fish in the hands of merchants and fishermen;



- (3) Of this carry-over, the fishermen held approximately 1.8 million pounds;
- (4) The Newfoundland merchants, holding heavier stocks than usual and with no assured outlets in sight, had discontinued buying from the fishermen;
- (5) Although the particular fishermen holding unsold stocks of fish had received, on the average, receipts equal to 70 per cent of their total possible returns, their overall incomes were so low that any loss would be serious to them.

Deliveries of salted codfish to the Board amounted to 11,388.15 quintals or 1,275,473 pounds valued at \$85,247.25. Details of the quantities of the various grades, sizes and cures purchased and of the cost of this support project are to be found in Appendices "A" and "B" of this report.

Although Board offers to purchase salted codfish were sent to the 920 fishermen who previously had reported a carry-over, only 662 took advantage of this support measure. Eighteen merchants and exporters with plants in the principal fishing centres were appointed agents of the Board to handle the purchases.

The disposal of the fish presented the difficulties usually associated with marketing of distressed products, particularly as the Government had undertaken not to make sales at sacrifice prices in markets normally open to the trade. All possibilities of sale were carefully explored before the following pattern of disposal was approved:

(1) Sale to United Nations Relief and Works Agency for Palestine Refugees @ 10¢/lb. fas vessel St. John's Nfld. Destination—Beirut.....	319,968 lbs.
(2) Sale to United Nations International Children's Emergency Fund @ 1¢/lb. fas vessel St. Johns', Nfld. Destinations—Greece and Yugoslavia.....	360,896 "
(3) Government authorized gift to the Department of Natural Resources of the Newfoundland Provincial Government for free distribution to farmers for agricultural purposes.....	576,882 "
(4) Used in experiment to determine suitability for reduction to fishmeal.....	1,680 "
(5) Destroyed because of excessive deterioration in quality	1,869 "
(6) Shrinkage.....	14,178 "
	<hr/>
	1,275,473 "
	<hr/>

#### *Province of Quebec Hair Seals*

Order in Council P.C. 4632 of September 25th, 1950 authorized the Board to make deficiency payments to the producers of seals of the Bedlamer and Old Harp varieties taken in Saguenay County and the Magdalen Islands in the Province of Quebec during the winter of 1949-50 and the spring of 1950 and sold in the natural (unprocessed) state. The deficiency payments were to be equal to the difference between the prescribed prices of \$4.00 per quintal (112 lbs.) for Bedlamers and \$3.00 per quintal for Old Harps and the average prices, as determined by the Board, at which these varieties were sold during the spring of 1950, provided that the average prices were below the prescribed prices.

After a thorough investigation, this support measure was recommended to the Government for the following reasons:

- (1) The hair seal fishery of the Province of Quebec normally constitutes an important source of income to fishermen during the period when ice and weather conditions make it impossible to prosecute other fisheries;

- (2) In the early spring of 1950, the markets for seal oil and skins were weak and processors were hesitant to buy. It was not until May that the seals were picked up, by which time they had deteriorated in quality;
- (3) Principally because of the depressed condition of the markets for oil and skins, but also because of the poor quality of the seals, the average of the prices paid to producers dropped below that of 1949 by 54 per cent;
- (4) The Board was satisfied that, under the circumstances, the producers had been paid all that the seals were worth.

In Saguenay County, a total of 7,242 seals weighing 5,210 quintals had been purchased in the natural state by processors from fifty fisherman. In the Magdalen Islands, because of adverse ice and weather conditions, only 290 seals weighing 131 quintals were taken by twelve fishermen.

Deficiency payments on the 5,341 quintals totalled \$5,342 bringing the average of the 1950 prices in the Province of Quebec up to 64 per cent of the average for 1949 and also resulted in the Quebec fishermen receiving the same prices as did the Newfoundland fishermen for seals of the same varieties.

Further reference to this support measure appears in Appendix "B" of this report.

## PRICE GUARANTEE AND ASSURANCE

### *Newfoundland Salted Codfish*

Traditionally, the fishermen of Newfoundland and the Newfoundland Salt Codfish Association (the merchants) meet in the fall to reach agreement respecting the prices to be paid for the various cures of salted fish. At the October, 1950 meetings, however, uncertain market prospects, particularly for the Labrador fish, made it impossible for the fishermen and merchants to reach a price agreement. This dead-lock left the bulk of the fish in the fishermen's hands and, as they had received nothing for their season's catch, they faced a winter without income.

To remedy this situation, the Government authorized the Board to guarantee advances by merchants to fishermen of seven dollars per quintal on Labrador fish on the understanding that the merchants would process and pack it for market at cost, that all sales would be under the general supervision of the Board and that net receipts in excess of the amount of the Government guarantee would accrue to the fishermen. The Board was also authorized to give assurance that the year's operation in the shore fishery would be reviewed after June 30, 1951, the end of the marketing year.

As a result of the guarantee and the assurance, the fish moved to market in an orderly fashion. The bulk of the Labrador fish was exported to European markets and to relief agencies. The marketing of the shore fish proceeded without intervention by the Board.

Although the Board could have been authorized to purchase the Labrador production instead of guaranteeing the advance price to fishermen, the latter course was adopted in the hope that market conditions would improve to the extent that the year's operation could be conducted without loss thus avoiding the necessity of direct support action by the Board.

As the final results of the year's operations in both the Labrador and the shore fisheries would not be known until after June 30, 1951, the end of the marketing year, it was not possible, during the period under review, to determine the precise amount of prices support expenditure that would prove necessary in the fiscal year 1951-2.



## RESEARCH ACTIVITIES

The work of the Board's economic research staff and that of the Department of Fisheries has continued to be closely integrated under one directing head.

During the year, the work on costs and relative efficiency of fishing operations in certain areas of the Maritime Provinces and Quebec, which had begun in 1949, was continued. Some of the results of this work have already been published. Similar investigations in Newfoundland were initiated this year both on the Labrador Coast and in the fisheries of the island itself.

The staff continued to furnish current information on conditions in foreign fisheries and markets to the Government and the industry.

On the spot research into the marketing of fish in Montreal, with particular reference to cold storage facilities, was begun by a small group of researchers and is now in the compilation stage. Another market study concerned with the distribution of fish products in the Ottawa-Hull area was also undertaken. In addition, the research staff carried out a number of minor studies and investigations in various fields, including transportation, production costs, specific marketing problems and others.

## STAFF

As at March 31, 1951 there were 16 full-time employees on the staff of the Board as follows:

1 Executive Director	2 Clerks Grade 4
1 Marketing Officer	1 Clerk Grade 3
1 Assistant Director	1 Clerk Grade 2A
4 Research Economists	1 Clerk Grade 1
1 Departmental Solicitor Grade 2	1 Stenographer Grade 3
1 Editor Grade 2	1 Stenographer Grade 2A

In addition to the above, one Economist Grade 2 was employed on a part-time basis.

During the year, six research Economists were transferred to the newly established Markets and Economics Service of the Department of Fisheries. These transfers from the Board staff and also others for which arrangements are now being made are in line with Departmental policy whereby the new Service will furnish the economic research staff for both Department and Board.

The Board makes use of the services of the Legal and the Publicity Services of the Department and two officials of the Board have been assigned to these Services to assist in dealing with work arising out of Board activities.

## EXPENDITURE—1950-51

During the fiscal year 1950-51, the following administrative expenses were incurred by the Board:

Salaries.....	\$89,211.58
Allowances.....	2,837.50
Printing, Stationery and Office Equipment.....	552.52
Travelling Expenses.....	20,773.49
Sundries.....	2,710.20
Total.....	\$116,085.29

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

## Appendix "A"

## PURCHASES OF NEWFOUNDLAND SALTED CODFISH DURING 1950-51

Grade	Size or Cure	Quantity (lbs.)
Merchantable.. .. .	Large and Medium.....	835
	Small.....	819
Madeira.....	Large and Medium.....	156,154
	Small.....	461,325
West India.....	Large and Medium.....	43,503
	Small.....	420,307
Tomcods.....		18,765
Labrador.....	Ordinary Cure.....	31,234
	Semi-dry.....	142,531
Total.....		1,275,473

## Appendix "B"

## FISHERIES PRICES SUPPORT ACCOUNT

## PROFIT AND LOSS ACCOUNT 1950-51

## NEWFOUNDLAND SALTED CODFISH SUPPORT PROGRAMME

Receipts from Sales.....		\$ 35,605.76
Deduct:		
Purchases.....	\$ 85,247.25	
Cartage and Trucking.....	\$ 1,285.73	
Drying Process.....	1,179.32	
Freight and Express inward.....	4,694.12	
Packaging.....	15,629.13	
Storage and Warehousing.....	7,957.77	
Wharfage and Stevedoring.....	1,971.22	
Miscellaneous.....	205.74	
Total Expenses.....	32,923.03	
Total Cost of Purchases.....	\$ 118,170.28	
Less value of goods distributed for agricultural purposes etc.....	40, 963.58	
	\$ 77,206.70	
Less inventory as at March 31, 1951 .....	Nil	
Cost of goods sold.....		77,206.70
Loss on Sales.....		\$ 41,600.94
Disposal of fish other than sales:		
Newfoundland Government—for agricultural purposes—value.....	\$ 39,768.00	
Fish meal experiment—value.....	113.24	
Destroyed because of excessive deterioration in quality—value.....	125.98	
Loss on shrinkage—value.....	956.36	40,963.58
Total Loss on Salted Codfish Support Programme.		\$ 82,564.52

## PROVINCE OF QUEBEC HAIR SEAL SUPPORT PROGRAMME

Deficiency payments to producers.....	5,342.00
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## EAST COAST CANNED FISH SUPPORT PROGRAMME (1948-49)

Final adjustment—allowance on Accounts Receivable (as at March 31, 1950) for fish of sub-standard quality.....	733.72
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NET LOSS ON 1950-51 OPERATIONS \$ 88,640.24







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Canada. Fisheries Prices  
in Support Board



FIFTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD  
FOR THE YEAR  
1951-52

EDMOND CLOUTIER. C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1952

OFFICERS AND MEMBERS OF THE BOARD

*Chairman (Acting)*

I. S. McARTHUR  
Director of Markets and Economics Service  
Department of Fisheries  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

L. BERUBE  
Ste. Anne de la Pocatiere, Que.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

Col. J. W. NICHOLLS  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa



FIFTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD  
FOR THE YEAR  
1951-52

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1952



OTTAWA, June, 1952

THE HONOURABLE ROBERT W. MAYHEW,  
MINISTER OF FISHERIES,  
OTTAWA.

SIR,

I have the honour to submit herewith the fifth Annual Report of the Fisheries Prices Support Board for the fiscal year 1951-52.

I have the honour to be,

Sir,

Your obedient servant,

IAN S. McARTHUR,  
*(Acting Chairman)*



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# FISHERIES PRICES SUPPORT BOARD

## ANNUAL REPORT 1951-52

### THE FISHERIES PRICES SUPPORT ACT, 1944

The Act which came into force in July, 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### ECONOMIC CONDITIONS IN THE FISHERIES—1951

(Figures for 1950 are revised, catch statistics for 1951 are preliminary)

For the Canadian fishing industry as a whole the year 1951 was again a satisfactory one. While the volume of landings was about the same as the year before, the value of the catch, both as disposed of by the fishermen and as eventually marketed, was significantly greater.

Total landings of all species of fish (including landings in Newfoundland) are estimated at 2.04 billion pounds, returned about \$102 million to fishermen (compared with \$96 million in 1950), and realized about \$200 million when marketed.

British Columbia again showed the largest gain. While the total 1951 catch figure of 621 million pounds was below the record 640 million of 1950, fishermen's receipts rose from \$36 million to \$40 million, i.e., by 11 per cent. A smaller proportion of herring in total landings, firm prices for salmon and much better returns for herring were responsible for the improvement.

The Inland fisheries yielded a greater catch than the year before—95 million against 92 million pounds—which was sold at somewhat higher prices. In Ontario, however, the downward trend continued and both landings and returns to fishermen were reduced. In Manitoba, in spite of a slight fall in landings, fishermen's earnings were actually higher than in 1950. The Great Slave Lake fishery showed a decline of about 5 per cent in volume and 13 per cent in value.

In the Maritime Provinces and Quebec there was a substantial reduction in the poundage of the landings—from 770 to under 705 million pounds—but fishermen's receipts remained virtually unchanged at about \$33 million. Reductions in the catch of cod and related species by 42 million pounds and of herring and sardines by 28 million pounds were the chief causes of the decline in landings but better prices for these and other species helped to maintain fishermen's

incomes. While the record halibut catch of 1950 was not repeated, other flatfish were landed in greatly increased quantities and the flatfish total rose by nearly 14 million pounds.

More fish was landed in the Province of Newfoundland in 1951 than in 1950. The greater part of the increase was due to more satisfactory catches of herring, capelin and squid, but landings of rosefish also showed a substantial rise and catches of flatfish, too, were greater. The catch of cod and allied species—still accounting for the great bulk of the landings in the Province—was about the same as the year before. The value of the total catch to fishermen was virtually unchanged between 1950 and 1951.

Both the domestic and the export markets for most fishery products showed strength in 1951. However, the higher gross returns during the year both to primary producers and processors were offset at least in part by increased costs of materials and labour. While the market in 1951 was able to absorb these additional costs without loss of volume, there were indications at the end of the year that the high cost structure was placing some branches of the industry in a rather vulnerable position.

A further increase in fillet production and sales at firm prices were features of the fresh and frozen trade. Flatfish fillets were put up in greatly increased numbers and the quantity of rosefish filets was also greater, while the supply of haddock was reduced due to the partial failure of the Newfoundland fishery in the early part of the year.

In the round and dressed group, the 1950 record sales of halibut were not maintained and there was also a reduction in salmon marketings though prices here were firm. The U.S. market for inland fish, which takes the bulk of Canada's production, remained firm and prices averaged higher than in 1950.

In the shellfish market—also mainly in the U.S.A.—supplies were a little below those of 1950 but 1951 gave about the same financial results as the earlier year.

The decline in canned fish exports which had persisted until 1950 was reversed in 1951, mainly because of a temporary improvement of the exchange situation in the Sterling area and in some European countries. The domestic market also remained strong and receptive. However, the West Coast pack of canned salmon of 1.96 million cases was a record and substantial stocks were on hand at the end of the year.

Considerable improvements occurred in the course of the year in the cured fish markets, particularly for salted and dried groundfish, but these are not yet fully reflected in the export figures for 1951. The marketing of the 1950 Newfoundland production was completed during 1951 but average returns were so low that a review of the shore fishery undertaken by the Board in accordance with an assurance given earlier, resulted in price support action being approved by the Government. Pickled and smoked fish production and sales showed little change from 1950.

The market for fish meal showed considerable fluctuation during the year and the price average was a little below that for 1950. Exports were 12 per cent higher than in the preceding year.

The oil market had rallied substantially at the beginning of the year and while prices were not maintained at that level, they averaged well above the very depressed quotations of 1950.

There was no substantial change in the marketing pattern of the Canadian fishing industry during the year. Exports increased in value from \$119 million to \$125 million and were virtually unchanged in volume. The distribution of exports was hardly different from what it had been the year before.



## PRICES SUPPORT PROGRAMMES

### *Labrador Salted Codfish*

The failure of the fishermen of Newfoundland and the Newfoundland Salt Codfish Association to reach a price agreement for the various cures of salted fish of the 1950 production resulted in the Government authorizing the Board to guarantee advances by merchants to fishermen of \$7.00 per quintal (112 lbs.) on Labrador fish. The guaranteed price to fishermen was approximately two-thirds of that obtained by them for their 1949 production. The understanding was that the merchants would process and pack the fish for market at cost, that all sales would be under the general supervision of the Board and that net receipts in excess of the amount of the Government guarantee would accrue to the fishermen. As a result of the guarantee the fish moved to market in an orderly fashion.

Although the Board could have been authorized to purchase the Labrador production instead of guaranteeing the advance price to fishermen, the latter course was adopted in order that marketing would proceed under normal supply and demand conditions.

Newfoundland Associated Fish Exporters Limited handled the entire 1950 production of Labrador salted codfish, the bulk of which was exported to European markets and to relief agencies. The gross value f.a.s. port of export of the 141,259 23/28 quintals involved was \$1,851,469.55 while the net receipts totalled \$1,446,321.37. The net cost therefore to the Federal Government was \$405,148.18. The authority for this support programme is contained in Order in Council P.C. 2456 dated May 16, 1951 as amended by P.C. 669 of February 4, 1952.

At the end of the marketing season, an adjustment was made to the original guaranteed price of \$7.00 per quintal which had covered both the principal Labrador cures, Semi-dry and Ordinary Cure. Traditionally there had been approximately a 12 per cent price differential in favour of the Semi-dry and this was restored by an additional payment of 85 cents per quintal to the producers of this cure. This adjustment involved 862 payments amounting to \$42,391.18 on 49,872.6 quintals and was authorized by Order in Council P.C. 5057 dated September 26, 1951.

The total cost therefore to the Federal Government, as a result of guaranteeing advances to Labrador fishermen was \$447,539.36.

### *Newfoundland Shore-caught Salted Codfish*

The Prices Support Board at the end of the marketing season in June, 1951, conducted a survey of prices received by Newfoundland fishermen from sales of the 1950 production of shore-caught salted codfish. The results of the survey indicated that the average price received by fishermen throughout the Province for all grades, sizes and cures was \$8.80 per quintal as compared with the 1949 average of \$13.10, a decline of 33 per cent.

As a result of this survey, the Government authorized a deficiency payment to fishermen of \$1.30 per quintal thus bringing the average of the prices for the 1950 production up to 77 per cent of those for the previous year. This rate of payment was determined as being sufficient to enable fishermen to meet their costs of production as well as offering a slight incentive to continue in this basic Newfoundland industry. During the period under review, 15,936 individual deficiency payments totalling \$771,723.19 were made on 593,641.6 quintals of shore-caught fish. Final checking of all applications for support under this programme was not completed on March 31, 1952 but the further claims to be settled appear to be a relatively small percentage of the total. Order in Council P.C. 5056 of September 26, 1951 authorized this support measure.

## RESEARCH ACTIVITIES

The research staff of the Board, at headquarters and in the field, continued to keep in close touch with current trends in prices to fishermen, volume of catch and income to fishermen by areas of production.

Specialized studies in the fishing areas of the Gaspé and Magdalen Islands regions of Quebec, of Prince Edward Island, of the Maritime Provinces and of Newfoundland were carried on during the year.

The market situation at home and abroad was kept under close review and developments of interest were made known to the industry through Departmental publications.

In certain instances, the research staff of the Board assisted the Departmental staff and the Dominion Bureau of Statistics in the field work associated with the census of the fishing industry. Basic data being collected is essential to the considerations of the Prices Board.

## STAFF

As at March 31, 1952, there were 12 full-time employees on the staff of the Board as follows:

1 Executive Director	1 Economist Grade 1
1 Marketing Officer	1 Clerk Grade 4
1 Departmental Accountant Grade 7	1 Clerk Grade 3
1 Economist Grade 6	1 Stenographer Grade 2B
1 Departmental Solicitor Grade 2	1 Clerk Grade 2A
1 Economist Grade 2	1 Typist Grade 2A

In addition to the above, one Economist Grade 4 was employed on a part-time basis.

During the year, an Economist and an Editor were transferred to the Department of Fisheries. These transfers from the Board staff were in line with established Departmental policy whereby the Department will, to a great extent, furnish the necessary staff for both Department and Board. Further transfers are being arranged.

The Board continued to make use of the Legal Service of the Department. An official of the Board is assigned to that Service to assist in dealing with work arising out of Board activities.

## EXPENDITURE—1951-52

During the fiscal year 1951-52, the following administrative expenses were incurred by the Board:

Salaries.....	\$56,931.20
Allowances.....	1,950.00
Professional and Special Services.....	2,041.10
Travelling Expenses.....	10,852.80
Freight, Express and Cartage.....	178.92
Postage.....	175.30
Telephones and Telegrams.....	898.10
Printing of Reports and other Publications....	272.68
Office Stationery, Supplies and Equipment....	1,200.73
Sundries.....	52.76

Total..... \$74,553.59

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.



## APPENDIX

FISHERIES PRICES SUPPORT ACCOUNT  
PROFIT AND LOSS ACCOUNT 1951-52LABRADOR SALTED CODFISH SUPPORT PROGRAMME  
(1950 PRODUCTION)

Deficiency payments under price guarantee.....	\$405,148.18	
Additional deficiency payments to producers of Semi-dry cure.....	42,391.18	
		<u>\$447,539.36</u>

NEWFOUNDLAND SHORE-CAUGHT SALTED CODFISH SUPPORT  
PROGRAMME (1950 PRODUCTION)

Deficiency payments to producers.....		<u>771,723.19</u>
NET LOSS ON 1951-52 OPERATIONS.....		<u>\$1,219,262.55</u>













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Canada, Fisheries Prices  
Support Board



CANADA

SIXTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD

FOR THE YEAR  
1952-53

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1953

OFFICERS AND MEMBERS OF THE BOARD

*Chairman (Acting)*

I. S. McARTHUR  
Director of Markets and Economics Service  
Department of Fisheries  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

L. BÉRUBÉ  
Ste. Anne de la Pocatière, Que.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa



CANADA

SIXTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
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FOR THE YEAR  
1952-53

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1953





OTTAWA, June, 1953.

HONOURABLE JAMES SINCLAIR,  
MINISTER OF FISHERIES,  
OTTAWA.

SIR,

I have the honour to submit herewith the sixth Annual Report of the Fisheries Prices Support Board for the fiscal year 1952-53.

I have the honour to be,

Sir,

Your obedient servant,

IAN S. MCARTHUR,  
*Chairman.*

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# FISHERIES PRICES SUPPORT BOARD

## ANNUAL REPORT 1952-53

### THE FISHERIES PRICES SUPPORT ACT, 1944

The Act which came into force in July, 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### THE FISHERIES PRICES SUPPORT BOARD

During the period under review, Colonel J. W. Nicholls of Vancouver, who had served as one of the two British Columbia members of the Board since its inception in 1947, tendered his resignation because of ill-health. Colonel Nicholls was replaced by Mr. Francis Millerd of Vancouver on December 30, 1952.

### ECONOMIC CONDITIONS IN THE FISHERIES—1952

The 1952 experience of the Canadian fisheries was not up to the record of the preceding year. The catch slipped back from 2.0 billion pounds in 1951 to 1.9 billion in 1952, the landed value from \$101 million to \$91 million and the marketed value from \$205 million to about \$183 million. This was largely due to poorer results in British Columbia. While the fishermen in the Maritime Provinces landed the second biggest catch in history, the West Coast fishermen (the season was interrupted by strikes) had the smallest since the depth of the depression, twenty years ago. In Newfoundland the catch of groundfish was less than in 1951—by about 15 million pounds—but prices were better. The fresh-water fisheries yielded heavily but prices were not quite as firm as in the preceding year.

#### *Heavy Catch in the Maritimes and Quebec*

In 1946, fishermen in the Maritime Provinces and Quebec hauled in 798 million pounds of fish. They have not equalled this record before or since; but came nearest to it last year with 777 million pounds. This was 95 million pounds more than the 1947-51 five-year average and 45 million pounds more than the catch of the previous year.

In terms of income, last year's haul was an all-time record. The heavy catch of 1946 brought them something under \$35 million. At the higher price levels prevailing last year, they got over \$35 million. This was \$6 million more than the 1947-51 average and \$1.8 million more than they got in 1951.

From this it will be evident that in spite of near-record landings most markets remained firm. The overall price level to fishermen was seven per cent above that of the previous year, with the two main species, cod and lobster, up five and thirteen per cent respectively. These gains were only slightly offset by a drop in herring and sardine prices.

The groundfish catch reached a total of 387 million pounds, 37 million more than in 1951 and 50 million pounds more than the 1947-51 five-year average. It was sold by fishermen for \$13½ million, \$1 million more than in the previous year and \$2½ million more than the five-year average. Plaice and flounders have lately become a significant component of groundfish landings, this fishery having grown in quantity from five million pounds in 1947 to 42 million last year, with an accompanying increase in value from \$100,000 to nearly \$1.5 million. This development has followed more intensive inshore and offshore dragging for these species.

The big groundfish catch was reflected in heavy production of both salt fish and fillets. The output of salted cod, hake and pollock was 5 million pounds (dried basis) more than in the previous year and that of fillets was also eight million pounds greater. The increase in salted production in Quebec and the Maritimes only partially offset a drop of about seven million pounds in Newfoundland's output, however, and prices remained firm in face of strong demand throughout the year. The fillet situation was a little different and is discussed separately below.

The lobster harvest also established a record, bringing fishermen a return which topped \$13 million for the first time. This was the result of slightly higher prices combined with landings only a little smaller than the heavy ones of the two previous years. The crop of clams, quahaugs and oysters was also good and sold at better prices than in 1951.

Herring was plentiful but rather low priced because of a slow market. Canning slackened during the summer and the canneries reduced the prices offered to fishermen. The year's sardine pack totalled only 625,000 cases, compared with 762,000 cases in 1951. The Maine canneries were busy, however, and Canadian fishermen found a market there for herring and sardines they could not sell locally. They disposed of over 60 million pounds in this way, compared with 44 million in the previous year. Their average selling price was \$1.34 per hundredweight, compared with \$2.08 in 1951.

With heavy supplies of groundfish arriving on their docks throughout the year, processors in Quebec and the Maritimes increased their output of fillets in 1952 to a figure 8 million pounds higher than in the previous year. In Newfoundland, although cod landings were low, this was reflected only in the salting industry. Available supplies were diverted from salting to filleting and by the end of the year 38 million pounds of fillets had been produced, four million more than in 1951. Total increase in east coast fillet production therefore amounted to 12 million pounds.

Since 1947, North American consumption of groundfish fillets has grown from 0.6 pounds per person per year to 1.2 pounds. This doubling of our continental demand has permitted an increase in Canadian production from 46.5 million pounds to 103.9 million. The build-up during this period has been based on greater availability of haddock and more fishing for rosefish and flatfish rather than on a return to heavy utilization of cod.

The 1952 heavy production of fresh and frozen fillets was reflected in heavy inventories of frozen products especially towards the end of the year. At January 1, 1953, the stocks of frozen fillets originating on the Atlantic Coast were 11.6 million pounds, against 4.1 million at the same date a year previously.



### *Disappointing Results in British Columbia*

Fishing operations were curtailed in British Columbia during 1952. Price disputes developed between fishermen and the fishing companies, which resulted in lay-off periods in the salmon fishery and altogether eliminated the 1952-53 fall and winter herring fishery. The yield of the West Coast fishery was thus seriously affected and out of line with normal expectations.

The catch of fish and shellfish at the close of the year was 396 million pounds valued at \$29.4 million. Compared with the previous year, it was a decline of 225 million pounds and \$10.3 million. The 1951 results, however, were at a record high due to the heavy yield of the fishery and high prices. Compared with the 1947-51 yearly average, the 1952 results were down by 165 million pounds and \$1.8 million.

Salmon landings in 1952 totalled 151.1 million pounds (round weight) valued at \$19,555,000, compared with 201.8 million pounds valued at \$28,396,000 in 1951. Of the five species of salmon, sockeye was the leader in value; the total catch of 30.87 million pounds bringing in to fishermen \$7,717,000. This was better than the 29.81 million pounds valued at \$7,458,000 reported in 1951. An unexpectedly heavy catch of pink salmon in the Northern Area in what is generally speaking an "off" year for B.C. brought the total of this species to 51.28 million pounds with a landed value of \$4,102,000 compared with 60.01 million pounds valued at \$5,715,000 landed the previous year. The catch of chum salmon was one of the lowest in years with a total of 31.87 million pounds valued at \$2,349,000. This compared with 63.49 million pounds valued at \$5,998,000 the year previously.

Disagreements on price between the fishermen and the operators hit most heavily at the herring fishery. In the first three months of 1952 an intensive fishery rounded off the 1951-52 herring fishing season with a bumper catch of 177,660,000 pounds. But this was practically the total effort for the year. No price agreements between fishermen and operators could be reached for the fall herring season. The total catch of herring for the entire year was 189.5 million pounds which had a value to fishermen of \$3,201,000.

In halibut fishing the picture was brighter. The total 1952 catch of 23.49 million pounds was the second largest catch in recent years and, with the exception of 1947, the largest since 1930. This put a good share of \$3,955,000 into the pockets of the longline fishermen who spent a comparatively brief period in their fishing efforts. The year 1951, also regarded as a good year, fell short of this record with a total catch of 20,214,000 pounds valued at \$3,428,000.

### *Freshwater Fisheries*

Although detailed statistics are not available for all inland species, it is estimated that the 1952 catch was well above that of the previous year, amounting to more than 100 million pounds, valued to fishermen at \$13.2 million and having a marketed value of about \$20 million. The 1951 landings were 98 million pounds valued at \$13.9 million to fishermen and at \$21 million marketed. Sales of freshwater species to the United States were about equivalent to those of 1951 in poundage; however, the average export price for all species was less than in 1951—by about 6 per cent—and the export value was down accordingly.

## PRICES SUPPORT PROGRAMMES

### *Newfoundland Shore-caught Salted Codfish*

During the fiscal year 1951-52, the Government authorized a deficiency payment to Newfoundland fishermen of \$1.30 per quintal on their sales of the 1950 production of shore-caught salted codfish. The programme was initiated after a survey had indicated that the average price received by fishermen throughout the Province for all grades, sizes and cures of the 1950 production was 33 per cent below that for the 1949 production. This rate of deficiency payment was determined as being sufficient to enable the fishermen to meet their costs of production as well as offering them a slight incentive to continue in this basic Newfoundland industry. In that year, 15,936 individual deficiency payments totalling \$771,723.19 were made on 593,641.6 quintals of shore-caught fish.

In the period under review, further deficiency payments were made to bring the programme to a close; 1,307 cheques totalling \$37,903.52 were dispatched to fishermen.

The total cost of the support programme in the two years was \$809,626.71, the quantity of shore-caught fish involved was 622,796 quintals and 17,243 separate payments were made.

### *Prairie Provinces Frozen Fish*

Order in Council P.C. 1953-416 of March 19, 1953 authorized the Board to purchase from fishermen not more than three million pounds of frozen fish produced in the prairie provinces and prescribed the prices at which the various species should be purchased. The prescribed prices were on the average approximately 70 per cent of those of the year before. The Order in Council also authorized the Board to pay such handling, storage, freight and other charges as were necessary in connection with the purchase of the fish.

Factors taken into account by the Board in recommending this support measure to the Government were:

1. Despite a drop in production from nine million pounds in 1951-52 to six million in 1952-53, stocks in dealers' hands had increased to the point where deliveries from fishermen were being refused at any price. This situation had resulted from lower food prices in both Canada and the United States, a heavier than usual carryover of frozen sea fish particularly in the U.S.A. and curtailment of local distribution of frozen fish because of mild weather.
2. Although fishing had ceased by mid-February, fishermen still had on hand some three million pounds with no apparent market.
3. Fishermen had by that time received only \$318,000 for sales of their 1952-53 production as compared to about \$1 $\frac{1}{4}$  million for the 1951-52 season.

Although the programme was initiated during the year under review, no purchases were actually made prior to March 31, 1953.



## RESEARCH AND OTHER ACTIVITIES

The staff associated with the work of the Board carry out their duties in close association with the Department of Fisheries, particularly the Markets and Economics and the Industrial Development Services.

Through market research and continuous collaboration with the fishing industry and the Department of Trade and Commerce, new outlets for fishery products are explored and developed. Items of interest to the industry are made known to the industry either directly or through Departmental publications.

In collaboration with the Markets and Economics Service of the Department, Board officials carried out specialized studies of fishermen's costs and returns in the Quebec and Maritime fisheries. These studies not only make it possible for the Board to appraise problems as they arise but indicate where savings are being effected through more efficient fishing methods. Reports arising out of these studies are issued by the Department.

Economists on the staff of the Board collaborated with Departmental officials in the collection and analysis of material for presentation to the Federal-Provincial Fisheries Development Committees in Newfoundland and Prince Edward Island. This work is designed to bring better returns to fishermen through positive improvements in catching, processing and marketing techniques rather than by support of unduly depressed prices.

## STAFF

As at March 31, 1953, there were 12 full-time employees on the staff of the Board as follows:

1 Executive Director	2 Technical Officers Grade 1
1 Marketing Officer	1 Clerk Grade 4
1 Departmental Accountant Grade 7	1 Clerk Grade 3
1 Economist Grade 6	1 Clerk Grade 2A
1 Departmental Solicitor Grade 2	1 Typist Grade 2A
1 Clerk Grade 1	

In addition to the above, one Economist Grade 4 was employed on a part-time basis.

During the year, an Economist Grade 2 and an Economist Grade 1 were transferred to the Department of Fisheries. The Board continued to make use of the Legal Service of the Department. An official of the Board is assigned to that Service to assist in dealing with work arising out of Board activities.

## EXPENDITURE—1952-53

During the fiscal year 1952-53, the following administrative expenses were incurred by the Board:

Salaries.....	\$53,336.19
Allowances.....	1,262.50
Travelling Expenses.....	7,200.00
Freight, Express and Cartage.....	1.55
Postage.....	92.63
Telephones and Telegrams.....	240.42
Publication of Reports and other Materials....	241.62
Office Stationery, Supplies and Equipment....	154.18
Sundries.....	3,374.08
Total.....	<u>\$65,903.17</u>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

## FISHERIES PRICES SUPPORT ACCOUNT

## PROFIT AND LOSS ACCOUNT—1952-53

NEWFOUNDLAND SHORE-CAUGHT SALTED CODFISH  
SUPPORT PROGRAMME (1950 PRODUCTION)

Deficiency payments to producers.....	\$37,903.52
---------------------------------------	-------------

LABRADOR SALTED CODFISH SUPPORT PROGRAMME  
(1950 PRODUCTION)

Refund from Board's Agents—Adjustment of total payments as at March 31, 1952.....	\$ 1,658.68
--	-------------

Additional deficiency payments to producers of Semi-dry cure.....	280.29	
	<u>1,378.39</u>	

NET LOSS ON 1952-53 OPERATIONS....	<u>\$36,525.13</u>
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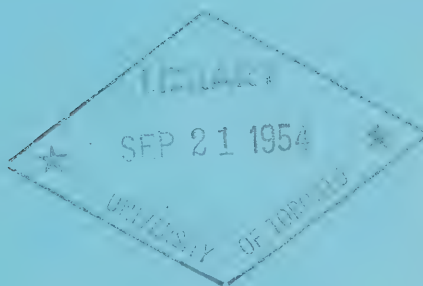
CANADA

**SEVENTH  
ANNUAL REPORT**

OF THE

**FISHERIES PRICES  
SUPPORT BOARD**

**FOR THE YEAR  
1953-54**



EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954

## OFFICERS AND MEMBERS OF THE BOARD

### *Chairman*

I. S. MCARTHUR  
Ottawa

### *Vice-Chairman*

W. S. LEE  
Halifax, N.S.

### *Members*

LOUIS BERUBÉ  
Ste. Anne de la Pocatière, Que.

H. I. MIFFLIN  
Catalina, Nfld.

### *Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

### *Executive Director*

H. C. L. RANSOM  
Ottawa



SEVENTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD  
FOR THE YEAR  
1953-54

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954



OTTAWA, June, 1954.

HONOURABLE JAMES SINCLAIR,  
MINISTER OF FISHERIES,  
OTTAWA.

SIR,

I have the honour to submit herewith the seventh Annual Report of the Fisheries Prices Support Board for the fiscal year 1953-54.

I have the honour to be,

Sir,

Your obedient servant,

IAN S. MCARTHUR,  
*Chairman.*



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# FISHERIES PRICES SUPPORT BOARD

## ANNUAL REPORT 1953-54

### FISHERIES PRICES SUPPORT ACT

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### FISHERIES PRICES SUPPORT BOARD

On May 1, 1953, Mr. Ian S. McArthur of Ottawa was appointed Chairman of the Board. Since early in 1949, Mr. McArthur had been Acting Chairman as well as Director of the Department's Markets and Economics Service. On his appointment as Chairman of the Board, he relinquished the latter position.

### ECONOMIC CONDITIONS IN THE FISHERIES

The Canadian fishing industry has enjoyed a period of continuous growth since the Second World War. During the past two years, however, there has been a levelling off in the total quantities of fish, shellfish and other marine life landed and steadily rising costs of production have borne increasing weight upon the primary phase of the industry.

In comparing 1953 with 1952 it should be noted that the latter year was not one of normal production. Operations in 1952 were reduced in British Columbia as a result of contractual difficulties, but in the Maritime Provinces and Quebec record catches were made. In 1953 the fishery on the West Coast returned to generally normal levels of production while the Atlantic fishermen, influenced by biological and economic factors which in some instances discouraged fishing effort and lowered productivity, took from the waters a reduced yield. The freshwater fisheries, which are centred chiefly in the Great Lakes and lakes in the Prairie Provinces and Northwest Territories, produced a larger volume of fish in 1953 than in the previous year but prices tended to be a little lower.

The fisheries of all areas yielded a landed weight in 1953 of 1.8 billion pounds which returned to the fishermen \$91.8 million. Quantities landed and landed values represent minor declines from comparable 1952 totals of 1.9 billion pounds and \$92.9 million.

#### *The British Columbia Fisheries*

The primary industry in British Columbia like its counterpart on the Atlantic Coast is becoming increasingly more efficient, through utilization in recent years of nylon netting and modern fishing vessels equipped with the most

up-to-date aids to navigation and the location of fish. Supplies of fish proved to be generally abundant and catches for the year totalled 542 million pounds compared with 405 million pounds in 1952. Somewhat lower landed prices prevented a comparable increase in fishermen's income and the total landed value of \$31.8 million in 1953 was only a small increase from the 1952 value of \$30.2 million.

A substantial portion of the salmon catch in 1953 comprised sockeye and pink salmon from the largest cycle catch of sockeye in the Fraser River since 1917, and an excellent run of pinks in the Johnstone Strait which at its peak engaged 375 gillnetters and 290 seines.

The British Columbia herring fleet resumed full-scale operations in October after a year of relative inactivity and under winter contract prices higher than those offered for the 1952-53 season took a record fall catch which brought the yearly total up to 149,100 tons. Supplies of fish were excellent and the yield of oil was good. Meal production totalled for the year 23.6 thousand tons and the total value of all herring products was \$6.5 million compared with \$4.2 million in the previous year.

Canadian fishermen landed a record catch of halibut in British Columbia ports in 1953 but at reduced prices. A poor market for sole fillets and a large carryover of 1952 production sharply reduced effort and landings in that fishery. Of the crustaceans, the shrimp and crab species yielded record production.

Marketwise the salmon industry improved greatly during 1953. A substantial United Kingdom purchase of canned salmon from an excessive carryover of 1952 pack was made early in the spring of 1953 and a second large purchase by the United Kingdom which was announced in February, 1954, led to hopes that stocks would not be substantial at the opening of the 1954 canning season. Domestic sales of canned salmon as well as exports to the United States of America reached high levels last year and the markets of Australia and New Zealand were opened up somewhat in the early months of 1954.

### *The Atlantic Coast Fisheries*

The primary industry in the Atlantic region continued its development of recent years, especially in the groundfish fishery. This was most apparent in Newfoundland where diminishing effort and production in the salt fish industry was contrasted with intensified activity in the fresh and frozen phase. In 1953 this trend in Newfoundland production was represented by a decrease of over 700 in numbers of 'shore' cod fishermen, as well as a reduced number engaged in the Labrador fishery and virtual extinction of the 'banking fleet'. In the 'fresh' fish industry new trawlers and draggers equipped with such electronic devices as loran, asdic and depth-sounders were added to the fleet, along with a growing number of long-liners and Danish seiners. Construction of one modern filleting plant, and work begun on others, constituted growth in the processing industry. In the Maritime Provinces and Quebec some forty new draggers of various sizes and a number of longliners, in most cases owned by individual fishermen or groups of fishermen, were added to the fleet along with one company-owned vessel of trawler size. There was also some increase of filleting capacity.

Prices received by fishermen in the Atlantic area for their catches of major groundfish species from late 1952 until the late summer of 1953 were at rather depressed levels partially induced by lower prices for fresh and frozen fish on the American market. The fresh and frozen market improved during the later months of the year and returns to fishermen for fresh fish increased. Fishermen 'making' salt cod in all provinces, but especially in Newfoundland where the inshore and Labrador fishermen produced 59 thousand quintals less than in 1952, received lower prices for their product than in the previous year. A contributing factor was the sizeable carryover of stocks of 1952 production at the beginning



of the season in Canada and other salt fish producing countries. The marketing problem in the salt fish industry was clarified somewhat after the major production season ended, and was strengthened by purchases of salt fish by the Government for Korean and Greek relief. The price situation and scarcity of supplies in some areas resulted in a considerable reduction of cod landings in Newfoundland. On the mainland, only 183 million pounds of cod were landed compared with 233 million pounds in 1952.

The lobster industry flourished in 1953. Landings decreased a little on the mainland but increased in Newfoundland, and prices paid to fishermen in all provinces were good. The sardine industry in New Brunswick experienced a very poor season. Many weir operators suffered financially because of the scarcity of supplies and cannery operators imported quantities of fish from Maine. Landings of mature herrings were also lower throughout the Atlantic region than in 1952.

### *The Freshwater Fisheries*

The primary industry in the freshwater fisheries in 1953 produced estimated landings some three million pounds greater than the 1952 total of 103.1 million pounds but fishermen did not fare as well pricewise. Average export prices on sales of major species to the United States were somewhat lower than in 1952 and returns to fishermen, particularly those in the Prairie Provinces, Northwest Territories and Ontario, dropped accordingly. Substantial unsold stocks of frozen whitefish from the 1952-53 winter fishery in Manitoba and Saskatchewan necessitated prices support action in the spring of 1953. Prices paid to fishermen for this species were depressed throughout most of 1953. Catches of lake trout in the Great Lakes have decreased steadily in recent years and were down again in 1953. In Great Slave Lake during 1953 the trout catch was below that of 1952.

## **PRICES SUPPORT PROGRAMMES**

### *Prairie Provinces Frozen Fish*

Late in the fiscal year prior to the one under review, Order in Council P.C. 1953-416 of March 19, 1953 authorized the Board to purchase from fishermen not more than three million pounds of frozen fish produced in the prairie provinces and prescribed the prices at which the various species should be purchased. The prescribed prices were on the average approximately 70 per cent of those of the year before. The Order in Council also authorized the Board to pay such handling, storage, freight and other charges as were necessary in connection with the purchase of the fish.

Factors taken into account by the Board in recommending this support measure to the Government were:

1. Despite a drop in production from nine million pounds in 1951-52 to six million in 1952-53, stocks in dealers' hands had increased to the point where deliveries from fishermen were being refused at any price. This situation had resulted from lower food prices in both Canada and the United States, a heavier than usual carryover of frozen sea fish particularly in the U.S.A. and curtailment of local distribution of frozen fish because of mild weather.
2. Although fishing had ceased by mid-February, fishermen still had on hand some three million pounds with no apparent market.
3. Fishermen had by that time received only \$318,000 for sales of their 1952-53 production as compared to about \$1¼ million for the 1951-52 season.

All deliveries of fish to the Board were made in the fiscal year 1953-54 and amounted to 2,181,085 pounds valued at \$192,757.60. Fishermen and traders on the lakes to the number of 166 were involved in the delivery. No purchases

were made from wholesalers or exporters. As the prescribed prices were f.o.b. Winnipeg and included containers, the actual amounts paid by the Board were dependent on whether the fish at the time of purchase was in Winnipeg, at rail head or on the lakes and whether it had been placed in containers. Under arrangements negotiated with the wholesalers, half of any freight charges less  $\frac{1}{2}$  cent per pound was absorbed by them in connection with all fish delivered to the Board. Of the total deliveries, 1,718,128 pounds originated in Manitoba lakes while the balance of 462,957 pounds came from Saskatchewan.

As in the 1949 programme, the fact that the fish came into Board possession after its normal marketing season was over made disposal difficult. The Board realized that to attempt to market its purchases through normal channels would only serve to further confuse the market situation. It was finally decided to sell to rendering plants, at  $\frac{1}{2}$  cent per pound, all the fish that was in or near Winnipeg; to give to the Indian Affairs Branch of the Department of Citizenship and Immigration such quantities as they could make use of and to abandon those amounts that, because of spring weather conditions, location or quality, could not be diverted to other use. The actual disposal was as follows:—

1) Sold to reduction plants.....	1,661,717 lbs.
2) Given to Indians at:	
The Pas, Man.....	25,708 lbs.
Split Lake, Man.....	28,325 lbs.
	<hr/>
	54,033 “
3) Abandoned.....	465,335 “
	<hr/>
Total.....	2,181,085 “

Further reference to this support measure appears in the Statement of Disbursements and Receipts at the end of this report.

#### *Pickled Mackerel Fillets*

Early in the fiscal year, the Board was requested to investigate the very low prices that had been received by certain fishermen during the winter of 1952-53 from the sale of pickled mackerel fillets produced during the summer and fall of 1952. The problem arose most acutely in the Magdalen Islands, Province of Quebec, where pickled mackerel fillets produced collectively by fishermen through cooperative organizations had suffered a severe drop in price which was reflected in the final settlement to these fishermen. After investigation, the Board recommended to the Government that deficiency payments at the rate of three cents per pound be paid to the fishermen affected. This recommendation was approved and payments amounting to \$16,068 were made.

It was then brought to the Board's attention that certain fishermen in Nova Scotia and Newfoundland producing pickled mackerel fillets in 1952 had suffered similar price declines. Investigations were subsequently carried out in these areas with the result that deficiency payments at the rates of three cents in Richmond County, N.S., and 1·135 cents per pound in Inverness County, N.S., were recommended for these fishermen. The recommendation was approved and total payments amounted to \$5,200.74. Of this total, \$990 was paid in Richmond County and \$4,210.74 in Inverness. In Newfoundland, the investigation showed that the price decline had not been as severe as in the other two provinces, but that a number of fishermen who had delivered their pickled mackerel fillets on consignment to dealers had received prices below the 70·14% of 1951 prices established as the level for support in the Magdalen Islands operation. In order to bring the returns to these fishermen to the same percentage of 1951 as had been granted in the other provinces, a deficiency payment of 52c per barrel of 225 lbs. was recommended and approved. Total payments amounted to \$634.66.



Orders in Council P.C. 1953-1715 of November 4, 1953 and P.C. 1954-324 of March 4, 1954 authorized this programme, the total cost of which was \$21,903.40. In the Magdalen Islands, 330 individual payments were made; in Richmond County, 8; in Inverness County, 228; and in Newfoundland, 24.

Representations were also received by the Board in respect of certain other fishermen in Nova Scotia, who sold fresh round or fresh filleted mackerel in 1952 for the production of pickled mackerel fillets. This question was still under investigation by the Board at the end of the year under review.

### *Atlantic Coast Salted Codfish*

In the fall of 1953, merchants handling dried salted cod in Newfoundland and in Saguenay County, P.Q., considered the market situation to be such that it would be necessary to reduce prices to fishermen substantially from the levels of 1952. In order to provide the fishermen of these two areas with a reasonable return at the time of delivery of their production, agreements were entered into between the fishermen and merchants in both areas, whereby the fishermen were paid an initial opening price with the assurance that, should the market improve, further payments would be made as the season progressed. At that time, requirements arose in Greece and Korea for relief food supplies. In order to meet these requirements and to lend strength to the salted fish market, the Government arranged for the purchase of \$950,000 worth of dried salted cod. The purchase was allocated among the areas of production with \$500,000 to be bought in Newfoundland, \$250,000 in Quebec and \$200,000 in Nova Scotia and New Brunswick. These purchases were sufficient to offset the carryover of 1952 fish remaining in these areas. Of the total \$950,000 required, the Department of External Affairs provided \$500,000 and the Board \$450,000. Shipping arrangements were made with the Government of Greece and for Korea with the Transportation Section of the Department of the United States Army.

Canadian Commercial Corporation acted as agent for this purchase, and by the end of 1953-54 had shipped 3.226 million pounds for account of the Department of External Affairs. 13,866 quintals of 112 pounds costing \$199,972 went from Newfoundland to Greece; 8,851 hundred weight costing \$156,558 from Saguenay County, P. Que. to Korea; and 7,879 hundred weight costing \$141,222 from the Maritime Provinces to Korea. The total cost of \$497,752 was the value of the fish f.o.b. vessel Canadian Atlantic ports, plus an administrative charge to Canadian Commercial Corporation of one-half of one per cent of the f.o.b. price.

As at the end of March, 1954, no shipment had been made for account of the Prices Board. Arrangements were in hand however for the early movement of some two and three-quarter million pounds to Korea. Although purchases were to be made in all three areas of production, the precise quantity from each area and the cost could not be determined until the shipments had been made. The Prices Board's participation in this part of the programme was authorized by Order in Council P.C. 1954-333 dated March 10, 1954.

Although market prices strengthened to some extent relative to pre-season predictions, the prices to fishermen in Newfoundland and Saguenay County, Quebec remained substantially below the levels of 1952. The Prices Board reviewed the situation in January 1954 and recommended to the Government that deficiency payments of one cent per pound on a dried weight basis should be paid to the fishermen in these two areas. The Government approved this recommendation in principle.

By the end of the fiscal year, the Government had given specific authority to the Board under Order in Council P.C. 1954-432 of March 25, 1954, to make these deficiency payments in Saguenay County, P. Que. It was estimated that they would total \$40,000 and arrangements were made for the payments to go forward to some 800 fishermen early in April.



In Newfoundland, the Provincial Government had, in November and December 1953, made advances to fishermen of \$1.50 per quintal of 112 pounds. In that Province, therefore, arrangements were being completed by the end of 1953-54 to make the Federal deficiency payment to the Provincial Government, except in those instances where fishermen had not received the Provincial Government advance.

### *Bloaters*

Exporters of hard cured smoked round herring (bloaters), including both the private and cooperative firms, found themselves at June 30, 1953 with approximately 150,000 boxes of 1952 production still unsold. Representations were made to the Board to have this stock of bloaters purchased and removed from the market in order to lend strength to the market outlook for the 1953 production. The Board considered this request, but in the light of reduced production in 1953 delayed action pending the development of the market for the 1953 production. Although exports during the period July-December 1953 of the new production were at satisfactory levels, very few sales of the 1952 pack were made. After reconsideration of the situation, the Board recommended and the Government approved a proposal that unsold stocks as at June 30, 1954 of the 1952 production, together with unsold stocks of standard quality of the 1953 production, be purchased by the Board in order that the production and marketing of the 1954 pack could proceed with reasonable assurance of satisfactory prices to fishermen. Holders of bloaters eligible for offer to the Board were invited to indicate their intention of making such an offer on June 30, 1954 and arrangements have been made for the inspection of such bloaters. The actual price support operation will take place during the fiscal year 1954-55.

## RESEARCH AND OTHER ACTIVITIES

In cooperation with the Markets and Economics Service of the Department, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. During the winter of 1953-54, a detailed survey of the costs and returns of salmon fishermen in British Columbia was also carried out in cooperation with the Markets and Economics Service. In addition, the staff of the Board, working in cooperation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1954, there were thirteen full-time employees on the staff of the Board as follows:

1 Chairman	2 Technical Officers Grade 1
1 Executive Director	1 Clerk Grade 4
1 Marketing Officer	1 Clerk Grade 3
1 Economist Grade 6	1 Clerk Grade 2B
1 Departmental Accountant Grade 7	1 Clerk Grade 2A
1 Departmental Solicitor Grade 2	1 Clerk Grade 1

In addition to the above, one Economist Grade 4 was employed on a part-time basis.

On April 1, 1953, the Departmental Solicitor was seconded to the War Claims Commission. The Board is reimbursed by the Commission for the full amount of this officer's salary.

**EXPENDITURE—1953-54**

During the fiscal year 1953-54, the following administrative expenses were incurred by the Board:

Salaries.....	\$55,186.73
Allowances.....	1,600.00
Travelling Expenses.....	7,689.29
Freight, Express and Cartage.....	1.91
Postage.....	6.45
Telephones and Telegrams.....	631.39
Publication of Reports and other Materials....	226.86
Office Stationery, Supplies and Equipment.....	142.24
Sundries.....	3,932.35
	<hr/>
	\$69,417.22
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

## 1953-1954

## FISHERIES PRICES SUPPORT ACCOUNT

## STATEMENT OF DISBURSEMENTS AND RECEIPTS

## PRAIRIE PROVINCES FROZEN FISH SUPPORT PROGRAMME

Receipts from Sales.....		\$ 8,307.42
Deduct:		
Purchases (f.o.b. Winnipeg).....	\$192,757.60	
Freight.....	\$ 894.42	
Storage.....	6,176.41	
Total Expenses.....	7,070.83	
Total Cost of Purchases.....	199,828.43	
Less value of fish disposed of, other than sales.....	47,584.50	
	152,243.93	
Less Inventory as at March 31, 1954.....	Nil	
Cost of fish sold.....		152,243.93
Loss on Sales.....		143,936.51
Disposal of fish, other than sales:		
Through Indian Affairs Branch of Department of Citizenship and Immigration to:		
Indians at The Pas, Man.—Value .....	2,355.37	
Indians at Split Lake, Man.—Value.....	2,595.14	
	4,950.51	
Abandoned because of weather conditions, quality and location .....	42,633.99	
		47,584.50
Total Loss on Programme.....		191,521.01

## PICKLED MACKEREL FILLETS SUPPORT PROGRAMME

Deficiency Payments to Producers in:—		
Magdalen Islands, P. Que .....	16,068.00	
Inverness County, N.S.....	4,210.74	
Richmond County, N.S.....	990.00	
Newfoundland .....	634.66	
Total Cost of Programme.....		21,903.40

## NEWFOUNDLAND SHORE-CAUGHT SALTED CODFISH SUPPORT PROGRAMME (1950 PRODUCTION)

Deficiency Payments to Producers (final adjustment).....	478.40	
		213,902.81

## LABRADOR SALTED CODFISH SUPPORT PROGRAMME (1950 PRODUCTION)

Refund from Board's Agents—Final adjustment of total payments as at March 31, 1952.....	40.82	
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NET LOSS ON 1953-54 OPERATIONS.....	\$213,861.99
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CANADA

**EIGHTH**  
**ANNUAL REPORT**  
**OF THE**  
**FISHERIES PRICES**  
**SUPPORT BOARD**

**FOR THE YEAR**  
**1954-55**

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1955



OFFICERS AND MEMBERS OF THE BOARD

*Chairman*

I. S. McARTHUR  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

LOUIS BÉRUBÉ  
Ste-Anne-de-la-Pocatière, Qué.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa



EIGHTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD  
FOR THE YEAR  
1954-55

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1955



OTTAWA, June, 1955.

HONOURABLE JAMES SINCLAIR,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the eighth Annual Report of the Fisheries Prices Support Board for the fiscal year 1954-55.

I have the honour to be,  
Sir,  
Your obedient servant.

IAN S. McARTHUR,  
*Chairman.*

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## FISHERIES PRICES SUPPORT BOARD ANNUAL REPORT 1954-55

### FISHERIES PRICES SUPPORT ACT

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### ECONOMIC CONDITIONS IN THE FISHERIES

Canadian fishermen landed approximately 2 billion pounds of fish and other marine products in 1954. Total landed value was close to \$96 million and marketed value is estimated at \$185 million. Conditions were generally favourable although landings were lighter than in 1953 in some individual fisheries. With few exceptions average returns were as good or better than in the previous year. The total value of exports reached a record \$132.6 million. Several important markets absorbed greater quantities of Canadian fishery products in 1954 but efforts to consolidate and improve trade with other traditional markets met with only mixed success.

#### *The British Columbia Fisheries*

Total landings in the British Columbian fisheries amounted to 600.2 million pounds in 1954. Landed value of all fish and other marine products totalled \$35.0 million and marketed value was \$70.7 million. These figures represent significant increases over the previous year.

The total salmon catch was lower than in 1953. Substantial increases in the catches of sockeye and chum salmon were more than offset by a marked reduction in landings of pink salmon. Despite the reduced landings, total landed value of the salmon catch was higher than in 1953 due to higher unit prices. Salmon fishing operations were disrupted twice during 1954 by tie-ups due to price and wage negotiations.

The canned salmon pack was somewhat lighter than in 1953 but still above the average of the past few years. The packs of sockeye and chum salmon were well above average and substantially heavier than in 1953 but the pink pack was very light.



Exports of canned salmon to the United States were lower than in 1953 due to the short supply of canned pinks. United Kingdom purchases amounted to \$10.97 million as compared with \$4.32 million in 1953. The 1954 figures, however represent fish from two canning seasons. A \$5.2 million purchase was made under a 'link purchase' plan in the spring of the year. Later the United Kingdom allocated \$5 million for the purchase of 1954 canned salmon from British Columbia and this was exported during the late summer and fall.

A moderate carryover of canned sockeye and chum is expected to be on hand at the beginning of the 1955 salmon season.

The herring catch of 361 million pounds in 1954 represents the first full year's production since 1951. The bulk of the catch was sent to the reduction plants producing some 29 million pounds of oil and 31 thousand tons of meal.

The halibut men again set a record, landing a total of 25.2 million pounds during 1954. Unit prices were slightly improved over the previous year. Despite the increase in landings the stock position at the year's end was only moderately above that of a year previously.

Landings of crab and oysters reached record levels in 1954 but shrimp landings fell off from the 1953 peak. Grey cod, used in the production of fish sticks, was landed in greater quantities.

#### *The Atlantic Coast Fisheries*

In the Atlantic Coast area all provinces, with the exception of Quebec, reported increased total landings in 1954. The catch for the area amounted to 1.3 billion pounds with a landed value of \$49.2 million and marketed value estimated at \$96 million. The increase over 1953 landings of approximately 120 million pounds was attributable to substantially heavier landings of cod and haddock. In Newfoundland alone cod landings increased by 117 million pounds and haddock landings by 30.4 million. For the first time in several years the landed value of cod for the Atlantic area exceeded that of lobster.

The filleting and freezing industry continued to expand in Newfoundland. Five plants of varying sizes began operations during the year and construction was well under way on two large filleting plants toward the close of 1954. In addition, two other plants expanded their filleting capacity. One new filleting plant was built on the Mainland and operations were resumed at a second.

One trawler, one small dragger, three Danish seiners and four long-liners were added to the Newfoundland fleet in 1954. Thirty-six draggers of various sizes operated for the first time out of Mainland ports along with several new long-liners. However a number of draggers did not operate as such during the year. Six trawlers were added to the Nova Scotian fleet but one trawler was scrapped and another destroyed by fire in 1954. Nova Scotia's fleet of dory schooners was again reduced in number and only two operated out of Newfoundland.

A substantial increase in exports of frozen blocks of groundfish fillets to the United States market occurred in 1954 in response to the increasing demand for fish sticks in that country.

A larger percentage of Newfoundland's cod landings was diverted from the production of salt fish to that of frozen fillets. Nevertheless estimated production of salted cod on a light salted hard dried basis was 790,000 quintals an increase over 1953 of about 150,000 quintals. Production on the Mainland again declined.

Under terms of the trade agreement negotiated with Spain last summer the government of that country agreed to make licences and exchange available

to cover the annual importation of 2,000 tons of salted cod. Similarly the Portuguese government has undertaken to make licences and dollars available for 3,000 tons. In both cases actual purchase was undertaken by the trade on a competitive basis. The special agreement with Italy was continued into 1954/55 and the Italian government has allocated \$3.1 million to pay for imports of salted cod. Apart from Brazil, which proved a good market during the year but whose position at present is uncertain, markets in the Western Hemisphere continue to be satisfactory; ceiling prices still exist in Puerto Rico and Jamaica. The Government of Canada in 1954 made gifts to Greece and Korea of salt codfish purchased from stocks in Newfoundland and the Mainland provinces.

Lobster landings were slightly lighter in Nova Scotia and New Brunswick but heavier landings in the other provinces brought the total for the area to approximately that of 1953. Prices compared favourably with those of 1953 also.

Total landings of both sardines and mature herring were lower than in 1953 but average prices increased. The sardine pack was almost double the 1953 pack because of diversion from fish meal and animal food.

#### *The Freshwater Fisheries*

The combined total of landings in the freshwater areas was estimated at 109.3 million pounds, slightly higher than in 1953. Total exports to the United States were slightly lower but exports in filleted form increased in 1954 with export prices generally improved over the previous year.

Landings of species such as pickerel, perch and pike increased somewhat in Ontario and Manitoba but whitefish landings declined in both provinces. The catch of lake trout in Ontario continued to decline. Fishermen on Great Slave Lake experienced a record summer season catch in 1954 principally comprised of whitefish and trout. Stable market conditions contributed to a profitable operation. A growing number of fishermen and increasingly efficient methods are being employed in this fishery. Winter operations were considerably delayed in the Prairie Provinces and the Northwest Territories due to unseasonably mild weather.

### PRICES SUPPORT PROGRAMMES

#### *Bloaters*

During the fiscal year 1953-54, exporters of hard cured smoked round herring (bloaters), including both private firms and cooperatives, found themselves with some 150,000 boxes of the 1952 production still unsold. The 1953 production was being exported at reduced prices but very few sales of the 1952 pack could be made.

In March, 1954, the Board recommended and the Government approved a proposal that unsold stocks as at June 30, 1954 of the 1952 production, together with unsold stocks of standard quality of the 1953 production, be purchased by the Board in order that the production and marketing of the 1954 pack could proceed with reasonable assurance of satisfactory prices to fishermen. Holders of bloaters eligible for offer to the Board were invited to indicate their intentions of making such an offer by June 30, 1954. Arrangements were made for the inspection of lots offered to the Board.

Order in Council P.C. 1954-981 of June 30, 1954 authorized the Board to purchase not more than 100,000 boxes of bloaters at 80 cents per box for choice

grade of the 1952 production and 55 cents per box for standard grade of the 1952 or 1953 production. Both prices included containers and were for boxes of 18 pounds net weight, f.o.b. car or transport at producer's plant or in storage.

In all, 72,929 boxes were purchased by the Board. Of these, only 257 were choice grade of the 1952 pack. The cost to the Board for the fish was \$40,172.20. Freight and handling charges amounted to \$9,129.56 making the total purchase price \$49,304.76.

As the purchase of this carryover had been undertaken in the hope that the production and marketing of the 1954 pack could proceed with reasonable assurance of satisfactory prices to fishermen, its sale even at distress prices in usual markets would have defeated the purpose of the support measure. It was decided therefore to sell the bloaters for reduction to fish meal. The sale was made at a nominal price of 9 cents per box since the product was not one customarily used for reduction purposes and because it would require special washing and pre-cooking to reduce the heavy salt content.

### *Atlantic Coast Salted Codfish*

In the fall of 1953, merchants handling dried salted cod in Newfoundland and in Saguenay County, P.Q., considered the market situation to be such that it would be necessary to reduce prices to fishermen substantially from the levels of 1952. In order to provide the fishermen of these two areas with a reasonable return at the time of delivery of their production, agreements were entered into between the fishermen and merchants in both areas, whereby the fishermen were paid an initial opening price with the undertaking that, should the market improve, further payments would be made as the season progressed. At that time, requirements arose in Greece and Korea for relief food supplies. In order to meet these requirements and to lend strength to the salted fish market, the Government arranged for the purchase of \$950,000 worth of dried salted cod. The purchase was allocated among the areas of production with \$500,000 to be bought in Newfoundland, \$250,000 in Quebec and \$200,000 in Nova Scotia and New Brunswick. These purchases were sufficient to offset the carryover of 1952 fish remaining in these areas. Of the total \$950,000 required, the Department of External Affairs provided \$500,000 and the Prices Board \$450,000. Shipping arrangements were made with the Government of Greece and for Korea with the Transportation Section of the Department of the United States Army.

Canadian Commercial Corporation acted as agent for the first part of this purchase, and by the end of 1953-54 had shipped 3,226 million pounds for account of the Department of External Affairs. 13,866 quintals of 112 pounds costing \$199,972 went from Newfoundland to Greece; 8,851 hundred weight costing \$156,558 from Saguenay County, P.Q. to Korea; and 7,879 hundred weight costing \$141,222 from the Maritime Provinces to Korea. The total cost of \$497,752 was the value of the fish f.o.b. vessel Canadian Atlantic ports, plus an administrative charge to Canadian Commercial Corporation of one-half of one per cent of the f.o.b. price.

The purchase for account of the Prices Board took place in the fiscal year under review and Canadian Commercial Corporation also acted as agent for the Board. Purchases amounted to 27,310 hundred weight of which 19,001 cwt. (16,964 quintals) valued at \$298,354.05 came from Newfoundland, 3,153 cwt. worth \$56,333.35 originated in the Maritime provinces and 5,156 cwt. worth \$85,575.57 came from Quebec. Inland freight of \$4,438.59 and a surcharge to



Canadian Commercial Corporation of one-half of one per cent of the cost of the fish amounting to \$2,201.32 brought the cost to the Board of this programme to \$446,902.88.

All the fish purchased for account of the Board was shipped to Korea where it arrived in good condition and was reported to have been ideally suited to relief feeding in that country.

The participation of the Board in this programme was authorized by Order in Council P.C. 1954-333 dated March 10, 1954.

Although the \$950,000 purchase programme caused market prices for the 1953 production to strengthen to some extent relative to pre-season predictions, the prices to fishermen in Newfoundland and Saguenay County, P.Q. remained substantially below the levels of 1952. The Board, after reviewing the situation in January, 1954, recommended and the Government approved that deficiency payments of one cent per pound on a dried weight basis be paid in these two areas.

Order in Council P.C. 1954-432 of March 25, 1954 authorized the Board to make these payments in Saguenay County. During the year under review, 844 cheques were sent to fishermen for a total of \$37,521.14.

In Newfoundland, the Provincial Government had late in 1953 made advances to fishermen of \$1.50 per quintal (112 pounds). The Federal Government therefore authorized the Board to make the deficiency payment at the rate of one cent per pound on a dried weight basis to the Province. Order in Council P.C. 1954-1453 dated September 22, 1954 made provision for the deficiency payment. At the end of the year under review, this payment had not been made pending receipt of an audited statement of the actual cash advances made by the Province to fishermen.

## RESEARCH AND OTHER ACTIVITIES

In cooperation with the Markets and Economics Service of the Department, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. During the winter of 1954-55, a continuation of the detailed survey of the costs and returns of salmon fishermen in British Columbia was carried out in cooperation with the Markets and Economics Service. In addition, the staff of the Board, working in cooperation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1955, there were eleven full-time employees on the staff of the Board as follows:

1 Chairman	3 Technical Officers Grade 1
1 Executive Director	1 Clerk Grade 4
1 Marketing Officer	1 Clerk Grade 3
1 Departmental Accountant Grade 7	1 Clerk Grade 1
1 Departmental Solicitor Grade 2	

The Departmental Solicitor is seconded to the War Claims Commission. The Board was reimbursed by the Commission for the full amount of this officer's salary.

**EXPENDITURE—1954-55**

During the fiscal year 1954-55, the following administrative expenses were incurred by the Board:

Salaries.....	\$56,534.40
Allowances.....	842.48
Travelling Expenses.....	5,971.00
Freight, Express and Cartage.....	10.92
Telephones and Telegrams.....	247.39
Publication of Reports and other Materials. ....	264.36
Office Stationery, Supplies and Equipment.....	218.19
Sundries.....	1,467.33
	<u>\$65,556.07</u>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

**FISHERIES PRICES SUPPORT ACCOUNT**

**STATEMENT OF OPERATIONS FOR THE YEAR ENDED  
MARCH 31, 1955**

**BLOATER SUPPORT PROGRAMME (1952 and 1953  
Production)**

Purchases.....	\$40,175.20	
Add: Freight.....	<u>9,129.56</u>	\$49,304.76
Sales.....		<u>6,563.61</u>
Loss.....		\$12,741.15

**ATLANTIC COAST SALTED CODFISH SUPPORT PRO-  
GRAMME (1953 Production)**

Purchases.....	440,262.97	
Add: Inland Freight.....	4,438.59	
Surcharge paid to Canadian Commercial Corporation— $\frac{1}{2}$ of 1% of cost of fish.....	<u>2,201.32</u>	<u>6,639.91</u>
Loss—Cost of fish shipped to Korea.....		446,902.88

**SAGUENAY COUNTY, P. QUE. SALTED CODFISH SUPPORT  
PROGRAMME (1953 Production)**

Deficiency payments to producers.....	37,521.14
---------------------------------------	-----------

**PICKLED MACKEREL FILLETS SUPPORT PROGRAMME  
(1952 Production)**

Deficiency payments to producers in Magdalen Islands, P. Que. (final adjustment).....	<u>354.81</u>
NET LOSS ON 1954-55 OPERATIONS.....	<u>\$527,519.98</u>











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Canada Fisheries Prices Support Board  
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CANADA

NINTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD

FOR THE YEAR  
1955-56

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1956

OFFICERS AND MEMBERS OF THE BOARD

*Chairman*

I. S. MCARTHUR  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

LOUIS BÉRUBÉ  
Ste-Anne-de-la-Pocatière, Qué.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa



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NINTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD  
FOR THE YEAR  
1955-56

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1956





OTTAWA, June, 1956.

HONOURABLE JAMES SINCLAIR,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the ninth Annual Report of the Fisheries Prices Support Board for the fiscal year 1955-56.

I have the honour to be  
Sir,  
Your obedient servant,

IAN S. McARTHUR,  
*Chairman.*

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## FISHERIES PRICES SUPPORT BOARD

### ANNUAL REPORT 1955-56

#### FISHERIES PRICES SUPPORT ACT

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

#### THE CANADIAN FISHERIES—1955

The progress of the fisheries in any season or year depends on a complex of factors. While catches, and the returns realized from them, were lower in 1955 than in the previous year, the difference represented the net result of some gains as well as some losses. The specific causes of generally lower production and prices are alluded to under the regional heads following. A major downward trend is nowhere indicated. On the contrary, investment in new fishing craft in 1955 is estimated at approximately \$3·8 million. This is an increase over 1954 and is indicative of confidence in the future of the industry.

##### *British Columbia*

The catch of sockeye salmon was relatively low in 1955, even for an "off-cycle" year. This resulted in a marked decline in the income of fishermen in this branch of the industry—a decline offset in part by a record catch of pink salmon. The total pack of canned salmon was 1·4 million cases, a drop of over three hundred thousand cases from the previous year. Although exports of canned salmon fell off comparably, it was expected that stocks would be exhausted before the beginning of the new season in 1956.

The depression in the North American market for halibut, carried over from the late months of 1954, continued throughout the 1955 fishing season and was reflected in lower prices for the catch—which dropped from 25 million pounds in 1954 to about 19 million pounds. Toward the end of the year the market had strengthened again.

The 1955 herring catch, at some 300 million pounds, was about 20 per cent below that of the previous year. The decrease was due to (a) a rather early disappearance of the herring schools at the end of the winter fishery and (b) failure to reach a price agreement for the summer season—the opening of the 1955–56 winter operations was delayed for the same reason. Despite the low catch, oil production was close to record level. The new season promised to be a very good one and demand for meal and oil remained firm, particularly in the United States market.

### *The Atlantic Provinces*

There was a substantial decline in landings of cod in Newfoundland, from 460 to about 360 million pounds, largely the result of a disappointing trap fishery on the northeast coast of the province. It was accompanied by a drop of 200,000 quintals in the production of light-salted dried codfish (shore cure). The downward trend in the output of this product, halted in 1954, has thus been renewed. The product is being displaced by diversion of landings to the filleting and freezing industry and by a shift to the sale—by the small-boat enterprises—of fish in the wet-salted form (saltbulk). The movement of the latter commodity to curing stations in Nova Scotia increased in 1955. This development is at last exciting an interest in the installation of mechanical drying capacity in Newfoundland itself.

Exports of salt codfish from the Atlantic provinces in 1955 compared favourably with the trade in 1954; demand was especially well maintained in the Caribbean markets. Year-end stocks were moderate in quantity—the supply of Newfoundland shore cure being considered inadequate to meet anticipated requirements in the period preceding the opening of the new season in mid-summer of 1956.

The output of groundfish products in chilled and frozen forms increased in 1955, an increase associated with a significant rise in haddock landings and a greater diversion of cod and haddock to the production of “blocks” for the expanding fish-stick industry in the United States. Canadian fish-stick manufacturers are prevented by the United States customs tariff from competing in the market in that country but production for domestic consumption expanded in 1955.

The prices obtained by fishermen for the important groundfish species were slightly lower in 1955 than in the preceding year. The fleets of small and medium-sized draggers continued to grow, particularly at ports in the Gaspé, and, particularly in Newfoundland, there was a substantial growth in processing-plant capacity.

The total landings of lobster in the Atlantic region in 1955 exceeded that of the previous year and prices generally were firm throughout the season. Canned lobster production continued to decline.

### *The Inland Provinces*

The relative importance of the Great Slave Lake fisheries was again apparent in 1955. Only the Manitoba and Saskatchewan lakes exceeded the Great Slave in landings of whitefish and the latter was by far the most important source of landings of lake trout. In the Great Lakes, the landings of both these species continued to decline. Increase in landings of blue and yellow pike-perch (pickerel) from the Great Lakes partially compensated for the decline in the higher priced species. Exports to the United States, including about 20 per cent in the filleted form, were well maintained.



## PRICES SUPPORT PROGRAMME

### *Newfoundland Salted Codfish*

In the fiscal year 1954-55, the Government authorized the Board to make deficiency payments to Newfoundland fishermen on their 1953 production at the rate of \$1.12 per quintal (112 pounds) on a dried weight basis.

The Provincial Government of Newfoundland had late in 1953 made advances to fishermen of \$1.50 per quintal. The Federal Government therefore authorized the Board to make the deficiency payment to the Province. The payment had not been made by March 31, 1955, pending receipt of an audited statement of the actual cash advances made by the Province to fishermen.

Early in the fiscal year 1955-56, the proper basis of settlement was determined and a payment of \$646,983.68 was made to the Province. The amount represented \$1.12 per quintal on 577,664 quintals.

## REQUEST FOR ASSISTANCE

### *Pacific Coast Dogfish*

Toward the end of the year under review, the Board received a request from Pacific Coast fishermen for assistance in the destruction of dogfish.

For many years large numbers of dogfish, a member of the shark family ranging from 5 to 15 pounds, have been a serious problem to fishermen on both the Atlantic and Pacific Coasts. These abrasive-skinned fish are destructive to fishing nets, displace food fishes on troll and long lines and consume large quantities of food fishes. Fishermen's groups have made representation to the Department seeking aid to destroy dogfish since the turn of the century. Just prior to World War I the Government built three meal processing plants on the Atlantic Coast for the utilization of dogfish, but the methods then in use together with very low prices for dogfish meal resulted in abandonment of the experiment and the sale of the plants. During the period 1941 to 1948 high prices for high potency Vitamin A, combined with the discovery of high Vitamin A content in dogfish livers, resulted in very heavy fishing and effective reduction of the dogfish population on the Pacific Coast. Dogfish reproduce their young alive, having eight to ten young per year, and are thus subject to effective depletion through heavy fishing. The Atlantic Coast species lack the high potency in their livers thus no similar fishery developed on that coast. In 1949 the introduction of low priced synthetic Vitamin A, together with low priced imports, reduced the industry to minor proportions with the result that a rapid recovery of the dogfish population took place. In 1954 fishermen again began to agitate for assistant destruction.

The request from the Pacific Coast for aid in the destruction of dogfish was strengthened by the fact that in 1955 landed value of all species of fish on that coast declined by 19.4 per cent from the preceding year as a result of low cycle runs of both sockeye and chum salmon. In 1956 it is anticipated that another low run of sockeye will coincide with a low run of pink salmon. Therefore, the income of fishermen in that area is expected to decline still further. Although the various groups of gill net, seine, dragger and trawl fishermen have been affected in varying degrees by the reduction in gross income, the average decline in 1955 amounted to approximately \$550 per fisherman.



Representatives of the Pacific Coast fishermen therefore sought assistance in the destruction of dogfish on three grounds:

- (a) reduced income from normal fishing operations;
- (b) the destructive nature of the dogfish; and
- (c) the predation of dogfish on food fishes.

Authorities of the Pacific Biological Station suggested that on the basis of the wartime experience some 25,000 tons of dogfish would have to be killed annually to significantly reduce the dogfish population.

A dogfish fishery would have two major products—fish meal and Vitamin A feeding oils. Processing can be carried out as a single operation using round fish as raw material to produce both meal and oil or as two distinct operations using the livers for oil production and the carcasses for fish meal. At the present time the market for high potency oil is quite limited and prices are low.

Operators of fish meal plants currently reducing herring and other suitable fish have indicated their intention to experiment with both round dogfish and dogfish carcasses to determine the practicability of producing a satisfactory fish meal from dogfish carcasses but these operators will only be able to pay from \$5 to \$10 per ton for the carcasses; thus operation of these plants under existing conditions would depend on fishermen finding a satisfactory separate market for the livers. During the wartime operation, the carcasses were discarded on the fishing grounds.

The Board met on January 9 and March 26, 1956, to discuss the request for assistance. At the close of the fiscal year no formal action had been recommended to the Government.

## OTHER BOARD ACTIVITIES

### *Fisheries Salt Assistance*

Vote 795 of the Appropriation Act No. 5, 1955, as passed by Parliament on July 27, 1955, provided \$500,000 for payment of assistance, subject to terms and conditions approved by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of fifty per cent of the laid down cost of salt used in their 1955 production. The Vote included authority to charge the administrative costs of the measure to Vote 153 of the main estimates of 1955-56 which provided for the cost of administering the Fisheries Prices Support Act. The staff of the Prices Board was charged with the responsibility of administering the salt assistance programme.

Fishermen throughout the Atlantic Coast provinces were immediately notified to retain their purchase slips for all salt purchased and their sales slips covering the sale of salted fish products. Regulations governing the payment of assistance were established under Order in Council P.C. 1955-1417 dated September 16, 1955. Administrative procedures were developed and notices were placed in Post Offices and other prominent places in fishing communities. After discussions with representatives of fishermen, distributors of salt and processors of salted fish products in the various provinces, schedules were prepared for the use of fishermen and fish processing plants in making application for the assistance. These schedules proved to be somewhat complicated because of the wide

range of products produced and by the fact that fishermen marketed their production in various stages of preparation. It was also necessary to provide for the exclusion from the assistance of salt used in the production of products which were marketed in the United States.

Fishermen received their individual application forms in November of 1955, to be completed immediately or after the final disposal of their 1955 production of salted fish. Application forms were distributed to the fish processing plants after December 31, 1955. Up to the end of the fiscal year under review, 5,348 individual payments had been made to fishermen and amounted to \$352,477.06. The breakdown by provinces was as follows:

<i>Province</i>	<i>No.</i>	<i>Amount</i> \$
Newfoundland.....	4,226	273,119.63
Nova Scotia.....	584	59,756.78
New Brunswick.....	24	1,090.17
Prince Edward Island.....	33	1,175.23
Quebec.....	481	17,335.25

In many instances, applications from fishermen represented two or more fishermen operating under a share or partnership arrangement.

At the close of the fiscal year, payments to fish processing plants were as follows:

<i>Province</i>	<i>Number of</i> <i>Plants</i>	<i>Amount</i> \$
Newfoundland.....	24	16,761.53
Nova Scotia.....	94	64,858.37
New Brunswick.....	82	31,995.87
Prince Edward Island.....	7	2,741.46
Quebec.....	36	19,069.45
Total.....	243	135,426.68

It was anticipated that late applications and those requiring further checking before settlement would bring total payments under the programme to some \$570,000.

During the year, comprehensive surveys were made in the different areas of salt distribution methods and costs as a basis for improving the administrative procedures for the plan and offering suggestions for alternative means of reducing costs to fishermen.

### *Research*

In co-operation with the Markets and Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1956, there were eleven full-time employees on the staff of the Board as follows:

1 Chairman	1 Departmental Solicitor Grade 2
1 Executive Director	3 Technical Officers Grade 1
1 Marketing Officer	1 Clerk Grade 4
1 Departmental Accountant	1 Clerk Grade 3
Grade 7	1 Clerk Grade 1

In addition, there were 2 part-time Typists on the staff.

The Departmental Solicitor is seconded to the War Claims Commission. The Board was reimbursed by the Commission for the full amount of this officer's salary.

## EXPENDITURE—1955-56

During the fiscal year 1955-56, the following administrative expenses were incurred by the Board:

Salaries.....	\$ 49,041.69
Allowances.....	1,762.50
Travelling Expenses.....	5,477.36
Freight, Express and Cartage.....	22.31
Postage.....	190.05
Telephones and Telegrams.....	392.42
Publication of Reports and Other Materials..	234.47
Office Stationery, Supplies and Equipment..	332.20
Sundries.....	4,342.15
	<hr/>
	\$ 61,795.15
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

## FISHERIES PRICES SUPPORT ACCOUNT

STATEMENT OF OPERATIONS FOR THE YEAR ENDED  
MARCH 31, 1956

## NEWFOUNDLAND SALTED CODFISH

SUPPORT PROGRAMME (1953 Production)	
Deficiency Payment.....	\$646,983.68
	<hr/>
NET LOSS ON 1955-56 OPERATIONS.....	\$646,983.68
	<hr/>











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Canada Fisheries Prices Support Board



CANADA

TENTH  
ANNUAL REPORT

OF THE  
**FISHERIES PRICES  
SUPPORT BOARD**

FOR THE YEAR  
1956-57

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1957

## OFFICERS AND MEMBERS OF THE BOARD

•

### *Chairman*

I. S. McARTHUR  
Ottawa

### *Vice-Chairman*

W. S. LEE  
Halifax, N.S.

### *Members*

LOUIS BÉRUBÉ  
Ste-Anne-de-la-Pocatière, Qué.

H. I. MIFFLIN  
Catalina, Nfld.

### *Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

### *Executive Director*

H. C. L. RANSOM  
Ottawa



CANADA

TENTH  
ANNUAL REPORT  
  
OF THE  
  
FISHERIES PRICES  
SUPPORT BOARD  
  
  
FOR THE YEAR  
1956-57

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1957



CA 17384  
400

OTTAWA, June, 1957

HONOURABLE J. ANGUS MACLEAN,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the tenth Annual Report of the Fisheries Prices Support Board for the fiscal year 1956-57.

I have the honour to be

Sir,

Your obedient servant.

IAN S. McARTHUR,  
*Chairman.*



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# **FISHERIES PRICES SUPPORT BOARD**

## **ANNUAL REPORT 1956-57**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **THE CANADIAN FISHERIES—1956**

It is always dangerous to generalize regarding the outcome of any industry as diversified as the Canadian fishing industry but a review of the statistics of 1956 production and income from coast to coast does indicate a widespread measure of stability and growth. Total landings of all species and the landed value to fishermen were higher in 1956 than in 1955 in each of the six provinces having a sea fishery. For the six provinces as a whole the total landed weight in 1956 was 2,023 million pounds as compared to 1,780 million pounds in 1955 and the landed value also increased from \$77.7 million to \$89.7 million in 1956. Statistics on the inland freshwater fisheries are less comprehensive than on the sea fishery but a good indication of the success of the freshwater fishery is the volume and value of exports of freshwater fish products which constitute a high proportion of the production of these fisheries. In 1956 exports of freshwater fish products amounted to 52.7 million pounds valued at \$13.5 million as compared to 49.1 million pounds valued at \$12.5 million in 1955.

The British Columbia fishery depends heavily on the three important species, salmon, halibut and herring. The salmon fishery, influenced as it is by the cycles of production of the major species within the group, showed an overall decline in production of 20 million pounds due to the sharp reduction in the catch of pinks which run heavily in the "odd" years. However, the higher catch of all other species, together with increased prices across the board, resulted in a \$2.5 million increase in landed value for the salmon fishery. The halibut fishery was higher both in quantity landed and price per unit with the result that returns to fishermen were sharply higher at \$4.9 million compared to \$2.6 million in the previous year. The output of the herring fishery, which had been interrupted by strikes in 1955, was also sharply increased with record catches being recorded in 1956. For the province as a whole, the value of landings in 1956 at \$35.2 million was 27 per cent higher than that of 1955.

On the Atlantic Coast, as indicated earlier, all provinces shared in the increased production and landed values. Catches of all species of groundfish—cod, haddock, pollock, hake and rosefish—were higher in 1956 as were catches of the important lobster and sardine fisheries. The herring fishery, however, yielded a lower return in 1956.

The Newfoundland fishery of 1956 was very similar to that of 1955 with total landings of all species at 568 million pounds valued at \$14.3 million compared to 553 million pounds valued at \$14.1 million a year previously. This lack of significant change extended through the various species with the all important cod fishery showing a change of only 1.1 million pounds on total landings of 377.7 million pounds. While there was some improvement in prices to fishermen for salted fish products the general price picture was one of stability.

In Nova Scotia there was little important overall change between 1955 and 1956 although there was a significant increase in haddock landings which offset a sharp drop in landings of plaice and sole. As in Newfoundland prices to fishermen showed little change. The total value of Nova Scotia's landings increased from \$23.4 million to \$24.8 million in 1956.

The New Brunswick fishermen generally had a considerably better year in 1956 than in 1955 with significant increases in catches of cod, hake, sardines and lobsters. These increases were offset in part by decreased catches of plaice, smelts and oysters. The overall value of landings increased from \$6.4 million to \$7.9 million in 1956. Prince Edward Island fishermen increased their catches of almost all species, particularly cod, hake, mackerel, lobster and oysters, and landed values increased from \$3.3 million to \$3.8 million. Although the cod and other groundfish fishery is expanding in this province the lobster fishery is still predominant. In Quebec the sea fishery was particularly good in 1956, with the catch of cod almost double that of the previous year. The lobster fishery which is important for the Magdalen Islands, also recorded a substantial increase. In total the Quebec fishermen shared \$3.6 million in 1956 as compared to \$2.7 million in 1955.

### FISHERIES MARKETS—1956

In the 1956-57 season (May to April) the marketing of fishery products showed little change in prices or distribution from earlier years. The stable pattern of exports was again evident—just over 70 per cent of production from the fisheries of 1956 was sold abroad and 30 per cent was consumed in Canada. These percentages apply to the value of all the products of the processing industry which is estimated to have been \$190 to \$195 million. The value of sales to the United States was \$95 million, just slightly larger than in the previous season; sales in a large number of European and Caribbean countries totalled about \$35 million.

A strengthening price trend was evident through the season for some of the more important species. Landings of British Columbia salmon in 1956 were the smallest in 14 years and this supply situation was quickly reflected in the prices paid by the canning and fresh trades. The domestic pack of canned salmon, 1.1 million cases, was also the smallest since 1944, and was augmented by purchases of Japanese production which was largely sold under domestic labels. Demand continued strong within Canada but sales in the principal markets abroad were made in the face of increasing competition from canned products originating in Japan and Russia—principally salmon and crabmeat.

The halibut market recovered, early in 1956, from the distressed conditions of the previous season when the price in the United States was adversely affected



by the large stocks in July and August. By the time the 1956 fishing season opened these stocks had been reduced to normal levels and, about the same time, the fishermen announced their agreement to a voluntary lay-over between halibut trips. The markets responded quickly to those developments and New York prices were 10 to 15 cents higher in July, 1956, than they were a year earlier.

Sales of freshwater fish continued the normal pattern of heavy dependence upon the United States. Landings of the more valuable species, principally whitefish and lake trout, continued to decline in 1956 but there was a commensurate increase in landings of other species. The trend toward filleting freshwater fish continued and 20.0 million pounds were exported in this form during the 1956-57 season—an increase of 2.0 million pounds over the previous one. Exports of freshwater fish, whole or dressed, to the United States also increased in both volume and value as a result of demand from the fresh trade in cities like New York and Chicago, and from the “glass goods” and smoking companies in various locations.

On the Atlantic Coast, the past season was marked by a strong market for lobsters, both in Canada and the United States. The canning industry was particularly active, and the pack was almost 50 per cent larger than that of 1955. In spite of the relatively large supply, and of increasing competition at home and abroad from such items as Russian and Japanese crab, prices were maintained well and exports were larger, and more valuable, than in 1955. There was little change in the utilization of the catch for the shell and meat trade, and exports to the United States continued to dominate the market.

The prices of groundfish fillets, packed as such or in frozen blocks, showed little signs of strengthening in 1956 as the supply continued to press upon Canadian and American requirements. In the United States the fish stick industry apparently was able to reverse the pessimistic trend which had been apparent in 1955 and early 1956. Production of sticks was 12 million pounds less than the record of 65.4 million pounds produced in 1955, but it was the opinion of the trade that the quantity, and quality, produced in 1956 was more nearly in line with demand. Total imports of blocks into the United States declined from 48.2 million pounds in 1955 to 38.9 million in 1956 and most of this decrease was in imports from Canada, which is the principal supplier. The fall in Canadian exports of groundfish fillets in blocks was offset by an increase in exports of fillets in consumer packages, and the value of exports of all fresh and frozen groundfish was not significantly different in 1956 from the previous year.

The market position for salted codfish showed no improvement over that of the previous season. The better prices which fishermen received in 1956 were entirely the result of competition for their small production (388 thousand quintals) of shorefish, and for their saltbulk by the drying plant operators in Newfoundland and on the Mainland. In Jamaica the price ceiling was reduced in the fall of 1956 from 1 shilling 6½ pence (retail) to 1 and 5 pence. Price levels in Puerto Rico remained unchanged and exports from Canada were affected by the low returns resulting from the fixed import prices. In May, 1956, the Italian government announced the liberalization of several items, including salted cod, which no longer required import licenses or dollar allocations. Canadian exporters, however, experienced increasing competition from French suppliers in the Italian market, and sales were about 4.5 million pounds less than in 1955. In Puerto Rico over the last two years French exports increased by 8 million pounds and Canadian decreased by about 10 million pounds.

## BOARD ACTIVITIES

*Fisheries Salt Assistance*

Vote 636 of the Appropriation Act No. 6, 1956 provided \$582,000 for payment of assistance subject to terms and conditions approved by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt used in their 1956 production and for payment of assistance in respect of such portions of the 1955 production as had not been paid prior to March 31st, 1956. The Vote included authority to charge the administrative costs of the measure to Vote 160 of the Main Estimates 1956-57 which provided for the cost of administering the Fisheries Prices Support Act. The staff of the Prices Board was charged with the responsibility of administering the salt assistance programme. Regulations were established under Order in Council P.C. 1956-1413 dated the 13th of September 1956.

Administrative procedures had already been established in connection with the programme for the production year 1955 and these were slightly modified for 1956 in the light of previous experience. Schedules to be completed by fishermen and fish processing plants in making application for assistance were simplified. The schedules were distributed during the month of September and under certain conditions applicants were allowed to complete and submit their applications after September 28th. However, in the majority of cases, operations for the calendar year 1956 were not completed until December 31st and where this was the case applications were submitted early in 1957.

By the end of the fiscal year under review, 5,700 individual payments had been made to fishermen and amounted to \$388,713.03. The breakdown by provinces was as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i> \$
Newfoundland.....	4,515	317,168.57
Nova Scotia.....	677	53,628.22
New Brunswick.....	40	2,103.54
Prince Edward Island.....	48	1,352.81
Quebec.....	420	14,459.89

Of the above, 144 claims for a total of \$5,947.86 arose from the production year 1955. In many instances, applications came from fishermen operating under a share or partnership arrangement.

At the close of the fiscal year, 330 payments to fish processing plants had amounted to \$193,286.81. Of these totals, 108 claims for \$67,196.34 were for the 1955 production year. The claims and payments were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i> \$
Newfoundland.....	50	46,996.78
Nova Scotia.....	104	74,291.45
New Brunswick.....	121	37,092.54
Prince Edward Island.....	19	12,822.47
Quebec.....	36	22,083.57

The unpaid claims arising from the 1955 production that are referred to in the two previous paragraphs required a total disbursement of \$73,144.20 from the appropriation of \$582,000, leaving only \$508,855.80 for claims in respect of

the 1956 production. It is estimated that this latter amount will be some \$150,000 less than the total required for 1956 payments. At the close of the fiscal year, arrangements had been made to seek authority from Parliament to pay the outstanding 1956 claims from funds provided for the 1957 production year.

### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for the administration at Headquarters of the Fishermen's Indemnity Plan. As at March 31, 1957, 3,876 fishing vessels valued at \$8,614,111 were insured under the Plan.

### *Research*

In co-operation with the Markets and Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1957, there were eight full-time employees on the staff of the Board as follows:

1 Chairman	1 Departmental Accountant Grade 7
1 Executive Director	1 Clerk Grade 3
1 Marketing Officer	2 Clerks
1 Departmental Solicitor Grade 2	

The Departmental Solicitor is seconded to the War Claims Commission. The Board was reimbursed by the Commission for the full amount of this officer's salary.

## EXPENDITURE—1956-57

During the fiscal year 1956-57, the following administrative expenses were incurred by the Board:

Salaries.....	\$ 47,208.19
Travelling Expenses.....	4,127.38
Freight, Express and Cartage.....	63.40
Postage.....	134.82
Telephones and Telegrams.....	155.32
Publication of Reports and Other Materials..	266.04
Office Stationery, Supplies and Equipment...	335.48
Gratuities in Lieu of Retiring Leave.....	302.50
	<hr/>
	\$ 52,593.13

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.













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*Fisheries Prices Support Board*



***ELEVENTH***  
***ANNUAL REPORT***  

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**OF THE**  
***FISHERIES PRICES***  
***SUPPORT BOARD***  
  
***FOR THE YEAR***  
***1957-58***



EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1958



OFFICERS AND MEMBERS OF THE BOARD

•

*Chairman*

I. S. McARTHUR  
Ottawa

*Vice-Chairman*

W. S. LEE  
Halifax, N.S.

*Members*

LOUIS BÉRUBÉ  
Ste-Anne-de-la-Pocatière, Qué.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa



*ELEVENTH*  
*ANNUAL REPORT*

OF THE

*FISHERIES PRICES*  
*SUPPORT BOARD*

*FOR THE YEAR*  
*1957-58*

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1958

Price 10 cents      Cat. No. Fs 81-58  
Available from the Queen's Printer  
Ottawa, Canada

OTTAWA, June, 1958.

HONOURABLE J. ANGUS MACLEAN,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the eleventh Annual Report of the Fisheries Prices Support Board for the fiscal year 1957-58.

I have the honour to be

Sir,

Your obedient servant.

IAN S. MCARTHUR  
*Chairman.*

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# **FISHERIES PRICES SUPPORT BOARD**

## **ANNUAL REPORT 1957-58**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices, the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **OPERATIONS**

Periodic weaknesses which appeared in the market situation from time to time in 1957-58 led to investigation of the factors affecting the market for particular products and the possible need for price support consideration on such products. Fortunately however, in no case did the position deteriorate to the point where it was necessary to call the members of the Board to a formal meeting nor was it necessary to make recommendations to the Governor in Council. A particularly sharp drop in export prices of Prairie caught whitefish during December 1957 led to considerable concern over the market possibilities for the winter catch of that species, particularly in Manitoba and Saskatchewan; however the market recovered substantially in January and February and no Board action was required. Similarly there were periodic and regional difficulties both in the frozen and salted fish markets for Atlantic Coast groundfish (cod, haddock, etc.), but again the situation was restored without Board intervention.

For the most part the Board staff were free to concentrate on other duties entrusted to them, particularly the Headquarter's administration of the Fishermen's Indemnity Plan and the Atlantic Coast Salt Assistance Programme.

### **THE CANADIAN FISHERIES—1957**

Following a generally good fishing year in 1956, results in 1957 were somewhat disappointing, nevertheless there was no evidence to indicate that reduced catches in 1957 represented anything more than the annual fluctuations which occur because of cyclical variations in runs of fish, weather and other variable factors associated with the fishery. The overall catch of sea fish at 1,815.4 million pounds was 225.5 million pounds below that of 1956 but by far the greater factor in this decline was the drop of 197.7 million pounds in the catch of Pacific Coast herring arising out of a prolonged strike in that industry which seriously affected the fall fishery. The salmon fishery of British Columbia yielded 128.8



million pounds—an increase of 18.1 million pounds over the previous year, due principally to better than anticipated runs of pink salmon. However, a lower run of the more valuable sockeye resulted in a reduction in the value of the total salmon catch. The halibut catch at 21.1 million pounds was only slightly below that of 1956. These three species, herring, salmon and halibut, make up by far the greatest part of the British Columbia fishery.

On the Atlantic Coast, there was considerable variation as between species but the overall total catch of 1,333.2 million pounds was 39.8 million pounds below that of 1956. The major decline in total landings took place in Newfoundland where the total catch of 544 million pounds was 48.5 million pounds below that of 1956. In that province the most important declines were in the catches of haddock, herring and squid. Very little change occurred in the catches made by New Brunswick and Prince Edward Island fishermen from 1956. In these provinces the 1957 total landings were 185.2 million pounds and 39.6 million pounds respectively. Nova Scotia and Quebec on the other hand both reported increased overall catches in 1957. The Nova Scotia catch totalled 435.5 million pounds while that of Quebec reached 128.9 million pounds.

Cod, the dominant species of the Atlantic Coast fishery, is important in all five provinces. The total catch of 640.4 million pounds of this species in 1957 was approximately the same as that of 1956 and represented close to 50 per cent of the overall catch of all species in the area. Because of the relatively low price to fishermen for cod however, this species represented only about 30 per cent of the total value of all species for the five provinces. The catch of lobster, on the other hand at 43.7 million pounds, accounted for almost as much total revenue to fishermen as did cod. The most important increases in catch in 1957 occurred in scallops, swordfish, sardines, halibut and other flatfish. The sardine fishery particularly is subject to wide fluctuation from year to year.

### FISHERIES MARKETS—1957

Marketwise the fisheries fared rather better in 1957 than a good many other industries. The economic hesitancy which prevailed, particularly during the latter half of the year, was not reflected generally in the movement of fish products to foreign or domestic markets nor was it reflected significantly in prices at the retail, wholesale or primary levels. Wholesale prices of many individual fish products were higher in March 1958 than in March of 1957, for example at Toronto fresh Atlantic cod filets rose from 30 to 33 cents per pound over the 12-month period; haddock filets from 42 to 47.5 cents; canned lobster from \$37.76 to \$43.82 per case. The major Pacific fishes, on the other hand, tended to remain constant or decline, for example, frozen halibut at Toronto was 38.5 cents per pound in March 1958 as compared to 41.2 cents a year previously; frozen salmon declined from 46.9 cents to 43.0 cents per pound; while canned sockeye salmon increased slightly from \$21.73 per case to \$21.87 per case. The strength of the fish markets generally is, of course, attributable in part to the lower production of most of the major products.

Stocks of frozen fish were relatively high at the beginning of 1957, particularly for the Pacific species of salmon and halibut. During the year, however, the position changed and at the end of 1957 stocks of frozen fish generally were 6 per cent below those of a year previously. The strength of the frozen fish market was influenced considerably by the renewed interest in precooked fish products which had grown very rapidly in 1954 and 1955 but which had tapered off rather markedly in 1956. Standardization of these products with greater attention to quality undoubtedly has put this branch of the industry on a much sounder basis than during its earlier period of development. For 1957 the total Canadian production of fresh and frozen groundfish (cod and related species),

fillets, including blocks and slabs, totalled 143.9 million pounds as compared to 157.1 million pounds in 1956. However, exports of these products to the United States increased from 101.3 million pounds in 1956 to 106.7 million pounds in 1957. Some weakness occurred in the markets for fresh and frozen freshwater fish, particularly whitefish, during December 1957, resulting in investigation of the market by the Prices Support Board. The enquiry, made in January 1958, indicated that the dislocation was temporary and would soon readjust in line with other fishery products. No support action was recommended and towards the end of February the stock position had greatly improved and prices had strengthened.

In the cured fish markets, particularly the important salted cod markets, the position throughout 1957 was one of uncertainty and little significant change. At the end of the 1956 marketing year—the end of July—stocks of old fish in Newfoundland and the Maritime Provinces were at a low level. This, combined with somewhat lower production and partially successful negotiations with Puerto Rico and Jamaica respecting ceiling prices imposed on salted fish, resulted in a certain amount of optimism, which was reflected in prices paid to fishermen for the 1957 catch. However, problems associated with marketing were great, particularly those concerned with meeting the competition of foreign fishing interests. At the close of the fiscal year it appeared that the stock position at the end of July 1958 might be somewhat higher than a year previously but no significant or serious carryover was contemplated.

Exports of canned fish generally were lower in 1957 than in 1956. The total value of all canned fish items declined from \$17.4 million in 1956 to \$13.8 million in 1957. Canned sardines were an exception and for this species a modest gain was recorded both in quantities exported and values. Exports of canned salmon on the other hand were down with the most significant declines taking place in the sockeye and pink classes. For the most part the decline was in exports to the United Kingdom. Larger production in 1958 should result in increased exports of these products provided prices are competitive.

The domestic market for all types and forms of fish products appears relatively strong. Per capita consumption shows little change over the past several years although there does appear to be a growing market for the fresh and frozen forms.

## BOARD ACTIVITIES

### *Fisheries Salt Assistance*

Vote 162 of the Main Estimates for 1957-58 provided \$550,000 for the payment of assistance subject to terms and conditions prescribed by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt used in their 1957 production. That Vote included authority to charge the administrative costs of the measure to Vote 161 of the Main Estimates for 1957-58 which provided for the administrative expenses of the Fisheries Prices Support Act. The staff of the Prices Board was charged with the responsibility of administering the Salt Assistance Programme. The terms and conditions referred to above were prescribed by Order in Council P.C. 1957-1261 dated the 19th of September 1957 and this Order also designated the products to be included in the assistance programme.

Vote 625 of Supplementary Estimates for 1957-58 for one dollar authorized that unpaid claims arising out of the 1956 production also be paid from funds provided by the Main Estimates Vote 162.

As the fiscal year drew to a close, a number of fishermen's claims arising from the 1957 production could not be paid as funds for that year had been exhausted. Rather than hold up those claims until such time as funds for the 1958-59 operation became available, the Treasury Board authorized that \$45,000 be transferred from Vote 128 of the Department of Finance in the Main Estimates 1957-58, which provided for miscellaneous minor and unforeseen expenses, in order that the claims could be paid without delay.

In all, a total of \$595,001 was made available during the fiscal year 1957-58 for payment of salt assistance claims. As at March 31, 1958, there remained an unexpended balance of \$4.10.

During the fiscal year under review, 6,543 individual payments were made to fishermen amounting to \$455,590.34. The breakdown by provinces was as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	5,215	\$369,506.79
Nova Scotia.....	748	60,506.82
New Brunswick.....	38	1,192.94
Prince Edward Island.....	52	1,694.74
Quebec.....	490	22,689.05

Of the above, 136 claims for a total of \$8,239.53 arose from the 1956 production year.

During the fiscal year 1957-58, \$139,406.56 was paid out to fish processing plants on 153 claims. All but one of those claims for \$911.42 were for salt used during the 1956 production year. The total claims and payments for the fiscal year were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	33	\$ 36,934.00
Nova Scotia.....	55	51,776.51
New Brunswick.....	35	21,368.50
Prince Edward Island.....	9	9,715.08
Quebec.....	21	19,612.47

#### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for the administration at Headquarters of the Fishermen's Indemnity Plan. As at March 31, 1958, 4,346 fishing vessels valued at \$11,281,529 were insured under the Plan.

#### *Research*

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

#### **STAFF**

As at March 31, 1958, there were ten full-time employees on the staff of the Board as follows:

1 Chairman	1 Technical Officer 2
1 Executive Director	1 Clerk 3
1 Marketing Officer	2 Clerks
1 Departmental Solicitor 2	1 Typist
1 Departmental Accountant 7	

The Departmental Solicitor was seconded to the War Claims Commission. Four members of the staff were seasonal employees.

### EXPENDITURE—1957-58

During the fiscal year 1957-58, the following administrative expenses were incurred by the Board:

Salaries.....	\$51,782.39
Travelling Expenses.....	3,896.02
Freight, Express and Cartage.....	23.17
Postage.....	140.64
Telephones and Telegrams.....	126.56
Publication of Reports and Other Materials....	227.38
Office Stationery, Supplies and Equipment....	494.23
Gratuities in Lieu of Retiring Leave.....	1,392.16
	<hr/>
	\$58,082.55
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.











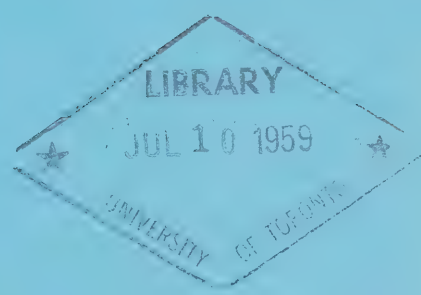




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Canada Fisheries Prices  
Support Board



***TWELFTH***  
***ANNUAL REPORT***  
***OF THE***  
***FISHERIES PRICES***  
***SUPPORT BOARD***  
  
***FOR THE YEAR***  
***1958-59***





*TWELFTH  
ANNUAL REPORT  
OF THE  
FISHERIES PRICES  
SUPPORT BOARD  
FOR THE YEAR  
1958-59*

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1959



## OFFICERS AND MEMBERS OF THE BOARD

•

### *Chairman*

I. S. McARTHUR  
Ottawa

### *Vice-Chairman*

W. S. LEE  
Halifax, N.S.

### *Members*

C. E. DESOURDY  
Montreal, Que.

H. I. MIFFLIN  
Catalina, Nfld.

### *Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

### *Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June 1959.

HONOURABLE J. ANGUS MACLEAN,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the twelfth Annual Report of the Fisheries Prices Support Board for the fiscal year 1958-59.

I have the honour to be

Sir,

Your obedient servant.

IAN S. MCARTHUR,  
*Chairman.*

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# **FISHERIES PRICES SUPPORT BOARD ANNUAL REPORT 1958-59**

## **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relation-ship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

## **OPERATIONS**

In 1958 the total landings of cod in Newfoundland declined from 401 million pounds to 300 million pounds. The value of the catch declined from \$8.7 million to \$6.5 million. This decline in catch was concentrated among those small scale inshore fishermen who normally catch and salt their production rather than those who fish on the larger vessels and sell their catch to the fresh and frozen fish processing plants. Incomes received by some 12,000 inshore fishermen dependent on salt cod production were therefore much below normal. This problem was brought to the attention of the Board and discussed at its meeting held in July 1958. Further meetings were held in Halifax, Nova Scotia and St. John's, Newfoundland early in September of the same year. The Board's investigations made it clear that while fishermen's incomes had been sharply reduced the causal factor was low production per man rather than any decline in price. The problem therefore was not one which could be satisfactorily dealt with through measures authorized under the Fisheries Prices Support Act. The Board gave consideration to various proposals placed before it by representatives of the fishermen and other agencies associated with the salt fish trade in Newfoundland and other Atlantic Coast provinces. Among its recommendations the Board suggested the creation of community processing facilities to encourage greater uniformity of product and improvement of quality.

Subsequently the government announced a decision to construct 20 community processing facilities (Community Stages) in selected Newfoundland fishing settlements in order to provide work and income to fishermen as well as to provide facilities which should prove beneficial to the salt fish trade generally. The selection of locations was based on the decline in catch from 1957 to 1958, the number of fishermen involved, the suitability of the community for development, local interest and the dependence of the community on salted cod. The Chairman and members of the Board's staff worked with departmental officials in the planning and development of this programme. Work on the construction of the stages was undertaken by the Federal Department of Public Works.

## **THE CANADIAN FISHERIES—1958**

The 1958 fishing year was a good one for most Canadian fishermen as total landings compared favourably with results in 1957, and higher prices for several of the principal species raised overall value by twenty-five per cent. Some

Atlantic Coast fishermen, notably trap fishermen in Newfoundland, did not share in the industry's general prosperity, however. Generally favourable weather, prolific runs of certain species and the comparative absence of labour difficulties contributed to good returns elsewhere. The overall catch of seafish and shellfish at 1,871.8 million pounds was about 30 million pounds over 1957 levels, largely due to the excellent salmon fishery and the resumption of normal herring operations in British Columbia.

Particularly heavy herring catches on the Pacific Coast during the fall and early winter resulted in total landings for the year of 405.1 million pounds. The salmon fishery yielded 181.3 million pounds, an increase of 49.4 million pounds over 1957. Sockeye catches exceeded the most optimistic forecast reaching a near-record total of 74 million pounds, and were the principal factor in raising the value of all salmon landings to an all-time high of \$37.1 million. The halibut catch at 28.9 million pounds, including 5.1 million pounds landed by Canadian fishermen in U.S. ports, was 3.8 million pounds greater than landings in the previous year and prices improved significantly. The three major species brought total landed value for the British Columbia fisheries to \$52.3 million, \$21.5 million higher than in 1957.

On the Atlantic Coast, the fishing year was generally satisfactory although quite pronounced variations in results by species and area were apparent, such as the spotty trap fishery in Newfoundland. The overall catch of seafish and shellfish in the five Atlantic Provinces totalled 1,218 million pounds, a decline of 134.4 million pounds from the previous year. Landings in Newfoundland were the principal element in the decline since the total catch there dropped by one hundred million pounds to 446.1 million pounds. The overall catch of 157.3 million pounds in New Brunswick, and of 108.9 million pounds in Quebec, also represented substantial reductions. There was an increase of 28 million pounds to 466.7 million pounds in Nova Scotia, but little change occurred in the Prince Edward Island catches which remained at approximately 39 million pounds.

Cod and haddock, which comprise a large part of the total catch in the Atlantic fisheries, showed an appreciable decline in 1958. The landings of cod dropped by 22 per cent to 528.5 million pounds, and haddock catches fell by 18 per cent to 103.4 million pounds. Together, the two species comprised 52 per cent of the overall catch of all species in Atlantic waters. Prices received by fishermen strengthened as the year progressed however, and the landed value of cod and haddock declined by only 10 per cent to \$17.3 million, approximately one-third of the total for all species. The shortfall in cod landings appeared principally in the Newfoundland inshore fishery and in Quebec. Landings of lobsters at 42.8 million pounds were a little lower than 1957 but increased prices raised the value above that of the previous year. Herring landings showed a small increase, as did the higher-priced swordfish and salmon. The catch of immature herring, or sardines, for canning improved significantly.

### FISHERIES MARKETS—1958

Most markets for the products of Canada's sea fisheries displayed strength in 1958. The domestic and United States markets take more than two-thirds of the industry's total production, including almost all of the fresh and frozen output. In 1958, the prices of fishery products followed the generally favourable trend in food commodity prices in North America which was one of the exceptional features of the economy during the business recession. The index of wholesale prices of fishery products on the domestic market declined moderately after April but held above 1957 levels during the months of peak production. Wholesale and retail prices for a fairly wide range of fishery products strengthened from the second quarter onwards both in Canada and the United States, and this was reflected in improved prices to fishermen as compared with 1957.



In March and April 1958, at a time when economic activity in the United States and Canada probably had reached a low point for the year, the prices of many fishery products at wholesale and retail levels were higher than they had been twelve months earlier. By the end of the calendar year there was further improvement and in February 1959, the prices of some products were higher than for several years past. Frozen cod fillets in the five pound institutional pack, for example, sold in February at Toronto for 31.7 cents per pound compared with 27.2 cents in the previous February, and at Boston for 31 cents per pound as against 26 cents. Fresh haddock fillets sold at wholesale in Toronto at 49.7 cents, up from 47.5 cents. The prices of the products of the British Columbia fisheries showed some variation. Frozen halibut was selling in Toronto wholesale outlets for 38.8 cents per pound in February of this year, as compared with 38.5 cents in February 1958, and frozen coho for 58.8 cents per pound as compared with 56.5 cents. Canned sockeye salmon, however, was down slightly at \$21.74 for 48 halves. Firm demand coupled with moderate inventories of almost all frozen fish products, particularly of the Atlantic varieties, was the chief factor sustaining prices at the levels indicated.

Stocks of frozen edible fish were considerably lower when the major fishing effort began in May 1958 than they were a year earlier. Most pronounced were the reductions in holdings of British Columbia frozen salmon and halibut. A moderate volume of production during the 1958 fishing season and good export sales of most products held stocks at normal levels throughout the year, excepting in the case of Pacific salmon. Holdings of frozen fish at year-end were somewhat higher than they were a year previously but, with a strong market, the immediate prospects for these products were optimistic.

Contributing to the strength of frozen fish markets in 1958 were two factors, one of which was a further recovery of fish stick production in the United States to a level exceeded only in 1955 and an increase in Canadian production of sticks for the domestic market. Another was the rapid growth in popularity of the fish "portion" in the United States. Total Canadian production in 1958 of fresh and frozen groundfish in fillets, blocks and slabs amounted to 149.1 million pounds, an increase of 5.7 million pounds over 1957. Exports to the United States declined slightly, to 121.7 million pounds as against 123.6 million pounds in the previous year, but brought a higher return due to increased prices. The markets for fresh and frozen freshwater fish also were generally good. The disruption which occurred in the distribution of Prairie whitefish late in 1957, which was referred to in the last Annual Report, proved to be of short duration. The quantities of freshwater fish exported in 1958 were a little lower than in 1957 but improved prices resulted in increased value.

The markets for cured fish presented problems due more to unsatisfactory prices than difficulties in disposing of available supplies. Government controls of prices or exchange regulations continued in several traditional markets. At the end of July, which is usually considered the opening of the saltfish marketing year, the overall stocks of dried salted cod were considerably higher than they had been twelve months earlier but represented a normal carryover, and supplies of wet salted fish had fallen behind those of the previous year. It was apparent by this time that there would be a shortfall in Newfoundland's codfish production, and with output in major producing countries reported to be reduced, the prospects for the saltfish industry appeared optimistic.

Because of the reduced supplies of saltfish both in Canada and Europe, the new season's production was offered at moderately higher prices. These were accepted in some markets but were rejected in others, such as Jamaica which turned to Iceland for part of its supplies. In general, therefore, export prices of dried salted cod during 1958 failed to measure up to expectations. A bright feature of the 1958-59 marketing year was the sale of a fairly large quantity of



light and heavy salted fish to Brazil. The latter country continues under severe economic strain and its future as a saltfish market is uncertain.

By the end of March 1959, supplies of dried and wet salted cod had fallen well below the levels required to meet normal requirements in the markets until the 1959 production became available. Supplies of salted pollock were relatively high, however, and were being used to make up part of the deficiency. It was expected that there would be no carryover of 1958 salted fish into the next marketing year.

Most canned fish products were marketed in increased quantities in 1958. Each of the important British Columbia canned salmon varieties was marketed abroad in greater quantities than in 1957. The marketing problem posed by the tremendous pack of sockeye was solved in September when the United Kingdom placed canned salmon under open general licence. The entire sockeye salmon pack, with the exception of an adequate reserve for the domestic market, was sold to the United Kingdom for approximately \$26,000,000. Export sales of canned sardines to almost every market increased but the trade in canned lobster fell off somewhat.

The domestic market for fishery products showed no significant change in 1958. Per capita consumption continued at approximately the level of recent years but a further increase in Canada's population created additional demand. Prices were generally firm.

## BOARD ACTIVITIES

### *Fisheries Salt Assistance*

Vote 148 of the Main Estimates for 1958-59 provided \$600,000 for the payment of assistance subject to terms and conditions prescribed by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt used in their production. That Vote included authority to charge the administrative costs of the measure to Vote 147 of the Main Estimates for 1958-59 which provided for the administrative expenses of the Fisheries Prices Support Act. The staff of the Prices Board was charged with the responsibility of administering the Salt Assistance Programme. The terms and conditions referred to above were prescribed by Order in Council P.C. 1958-1637 dated the 3rd of December 1958 and this Order also designated the products to be included in the assistance programme.

A further amount of \$250,000 was made available through Vote 563 of Supplementary Estimates of 1958-59 in order that there would be adequate funds to pay all claims that were expected to be approved by the end of the fiscal year and so avoid a repetition of the shortage that occurred in March 1958.

In all, a total of \$850,000 was made available during the fiscal year 1958-59 for payment of salt assistance claims. As at March 31, 1959, there remained an unexpended balance of \$114,461.70. Two factors contributed to this balance. Firstly, fishermen's claims on their 1958 production were on the average lower than those of 1957 and secondly, fewer claims than were anticipated had been approved for payment by the end of the fiscal year.

During the fiscal year under review, 5,963 individual payments were made to fishermen amounting to \$347,643.71. The breakdown by provinces was as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	4,580	\$260,768.90
Nova Scotia.....	821	56,133.87
New Brunswick.....	57	2,980.80
Prince Edward Island.....	79	2,250.87
Quebec.....	426	25,509.27

Of the above, 187 claims for a total of \$10,881.36 arose from the 1957 production year.

During the fiscal year 1958-59, \$387,894.59 was paid out to fish processing plants on 600 claims. Of these, 389 for a total of \$257,325.62 were for salt used during the 1957 production year. The total claims and payments for the fiscal year were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	96	\$ 78,609.78
Nova Scotia.....	203	150,377.54
New Brunswick.....	193	80,676.09
Prince Edward Island.....	36	26,042.99
Quebec.....	72	52,188.19

To provide for greater uniformity and to facilitate verification of purchases and sales of salt, a system of Official Invoices was introduced during the year. All persons who sold salt to fishermen in respect of which assistance was to be claimed were required to cover such sales with these invoices which were supplied by the Department. A copy of the invoice was given to a fisherman by his supplier and was attached to his claim at the end of the year. The procedure has proved very satisfactory and has facilitated the administration of the programme.

#### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for the administration at Headquarters of the Fishermen's Indemnity Plan. As at March 31, 1959, 5,131 fishing vessels valued at \$14,625,885 were insured under the Plan.

#### *Destruction of Dogfish, Pacific Coast*

The problem of predation on food fishes and destruction of fishing gear by a rapidly expanding population of dogfish on the Pacific Coast has been considered by the Board on a number of occasions. While not a problem associated with prices, the problem could have considerable effect on the incomes of British Columbia fishermen. Following an unsuccessful attempt in 1956 to encourage a commercial dogfish operation through a subsidy of \$10 per ton on dogfish carcasses, a new programme was considered for 1958. Parliament voted a total of \$300,000 for this purpose. The 1958 programme was developed in association with the existing dogfish liver oil industry and as a straight catching and destruction operation. The liver oil project was encouraged by payment of a subsidy of 10 cents per pound on all dogfish livers delivered to the processing plants between January 12th and March 31st, 1959. The destruction programme was implemented through the charter of five fishing vessels with crew to fish in the areas of greatest concentration, catching and killing as much as possible. During the three month period, 2,471 tons of dogfish were destroyed.

The Chairman of the Board was responsible for organizing and administering this project.

#### *Research*

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

**STAFF**

As at March 31, 1959, there were nine full-time employees on the staff of the Board as follows:

1 Chairman	1 Technical Officer 2
1 Executive Director	1 Clerk 2
1 Marketing Officer	2 Clerks
1 Departmental Accountant 7	1 Typist (seasonal)

**EXPENDITURE—1958-59**

During the fiscal year 1958-59, the following administrative expenses were incurred by the Board:

Salaries.....	\$49,494.96
Allowances.....	1,300.00
Travelling Expenses.....	4,908.05
Freight, Express and Cartage.....	17.31
Postage.....	23.23
Telephones and Telegrams.....	399.76
Publication of Reports and Other Materials....	295.34
Office Stationery, Supplies and Equipment....	1,633.34
Sundries.....	3,705.73
	<hr/>
	<b>\$61,777.72</b>
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The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.











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Canada. Fisheries Prices  
Support Board



***THIRTEENTH  
ANNUAL REPORT***

OF THE

***FISHERIES PRICES  
SUPPORT BOARD***

***FOR THE YEAR***

***1959-60***







*THIRTEENTH  
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THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1960

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## OFFICERS AND MEMBERS OF THE BOARD

•

### *Chairman*

I. S. McARTHUR  
Ottawa

### *Vice-Chairman*

W. S. LEE  
Halifax, N.S.

### *Members*

C. E. DESOURDY  
Montreal, Que.

H. I. MIFFLIN  
Catalina, Nfld.

### *Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

### *Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June, 1960.

HONOURABLE J. ANGUS MACLEAN,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the thirteenth Annual Report of the Fisheries Prices Support Board for the fiscal year 1959-60.

I have the honour to be

Sir,

Your obedient servant.

IAN S. McARTHUR,  
*Chairman.*



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## **FISHERIES PRICES SUPPORT BOARD ANNUAL REPORT 1959-60**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **THE CANADIAN FISHERIES—1959**

As is so frequently the case it is not possible to summarize the results of the fisheries for all Canada in any given year in a single sentence. The catch in any particular area or for particular species varies widely as a result of forces both within and outside the control of the fishermen. Generally, however, these factors tend to be compensatory and an overall trend is indicated. For each of the five Atlantic Coast provinces significant overall increases in the landed value of the catch were recorded in 1959. In fact, the combined landed value of \$59.1 million was 16 per cent higher than that of 1958 and the highest figure ever reached. This happy outcome arose out of a combination of generally good catches and somewhat stronger prices for most of the important species. The Pacific Coast fishery on the other hand recorded a combination of adverse factors which resulted in an overall decline from \$52.5 million in 1958 to \$35.4 million in 1959. It must be recalled however that 1958 had been an exceptionally good year for all British Columbia fisheries and particularly for the valuable sockeye salmon fishery.

In Newfoundland the recovery of 1959 over 1958 was particularly marked with the total returns to fishermen reaching \$14.9 million or more than 30 per cent above the 1958 total. Cod is the dominant factor in the Newfoundland fishery and the catch of 414 million pounds compared with only 300 million in the previous year. This resulted in earnings from the cod fishery exceeding \$10 million and this increased income was well distributed around the coast of the province as the bulk of the increase was taken by the inshore fishermen. The number of fishermen engaged also increased somewhat over the previous year mainly as a result of reduced employment in the construction industry. Catches of haddock, redfish, herring, capelin and lobster were somewhat below those of the previous year but in the case of lobster improved prices resulted in very little decline in income to fishermen.

Improvement in returns to Nova Scotia fishermen were particularly marked in the shellfish branch of the industry with larger catches of lobster and scallops

meeting good market demand. The return to the lobster fishery at \$8.8 million was greater than that of cod and haddock combined. Landed values in New Brunswick increased from \$7.3 million to \$8.9 million with lobster, herring and cod providing the major share of the income to fishermen. The herring catch of 127 million pounds was almost double that of 1958. The Prince Edward Island fishery is dominated by the lobster fishery which contributed \$2.8 million of the total landed value of \$4.2 million. In this province increases over 1958 were general for most species with cod, lobster and clams showing the greatest improvement. For Quebec the overall increase was from \$3.5 to \$3.9 million and again the increase was well distributed over the various fisheries. The major species are cod, lobster, salmon and herring.

As indicated the British Columbia fishermen failed to enjoy the increases recorded in the Atlantic provinces although when compared with the long-term average the 1959 figures were only slightly below normal. The major decline occurred in the salmon fishery where landed values totalled just under \$20 million as compared to over \$37 million in the previous year. This decline was no indication of a long-term decline but rather reflected the cyclical nature of the runs of the various species of salmon. In all cases other than pinks the 1959 year was on the low side of the cycle. The important herring and halibut fisheries were well maintained in 1959 although prices received by fishermen were somewhat lower in the case of halibut.

Fishing results over the wide area of the freshwater fisheries from Great Slave Lake to the Great Lakes varied considerably as between individual lakes and species of fish. In general, however, the catch was up to normal and returns to fishermen were approximately \$13 million. In Ontario, the decline in the catch of pickerel and low returns for perch reduced the total value of landings from the previous year. A decline in fishing activity was again reported from Great Slave Lake. Some areas of Manitoba also found fish scarce particularly during the winter fishery.

Throughout the fisheries generally the tendency towards improved fishing vessels, fishing equipment and gear continued. The Department carried out, with good results, experimental fishing with new types of gear in co-operation with the fishermen and provincial governments. A number of new fish processing plants were established, particularly in the Atlantic Coast area.

### FISHERIES MARKETS—1959

Market conditions in 1959 were generally satisfactory although the strength which was evident during the early part of the year tended to weaken as the year advanced. With the value of exports of fishery products totalling \$147.8 million out of a total marketed value of approximately \$200 million the significance of export markets is self-evident. The United States is the only export market available for the fresh and frozen forms and almost all of the \$98 million in exports to that market are of these types. The trend of this market has been upward for many years but the rate of growth appears to be based mainly on population increase with very little change in per capita consumption.

Later in the year a serious weakness occurred in the United States market for groundfish fillets and blocks as increased supplies, including fish from European sources, tended to oversupply the market. Storage stocks both in Canada and the United States reached excessive levels towards the end of the calendar year although improved demand early in 1960 resulted in some liquidation of stocks and a somewhat stronger tone to the market. It is clear from the experience of the past several years that this market is a very sensitive one and any increase in supplies beyond a small year to year increase to take care of the growing population causes considerable difficulty. The market for Pacific halibut, which is also

heavily dependent on export to the United States, was slower as the year progressed and the stock position at the end of the year was relatively high—with prices below those of a year previously. Markets for the scarce species like lobster and Atlantic salmon remained at high levels.

The other major items of export are canned fish—salmon, sardines and lobster—and cured fish—pickled and dry salted. There was a sharp decline in the value of canned salmon exports but this was a reflection of the decline in pack rather than any market weakness. However, the 1959 pack included a rather high proportion of pinks and chums as compared to the more popular sockeye and some difficulty has been experienced in disposing of these less favoured species. Exports of both sardines and canned lobster increased in value in 1959 over 1958. Supplies of cured fish were generally lower in 1959 as a result of the short cod catch in Newfoundland in 1958. Markets for the reduced supplies were relatively strong and some price increases were experienced. The increased catch in 1959 provided adequate stocks to meet 1959-60 requirements.

Perhaps the most widespread weakness among the markets for fishery products in 1959-60 was in the case of fish meal. This product had enjoyed a growing demand from the livestock industry both at home and abroad for several years but in 1959 a sharp increase in Peruvian production plus a decline in domestic demand resulted in serious difficulties. A sharp decline in price occurred in the fall of 1959 and processors of herring meal on the Pacific Coast found it necessary to suspend operations in mid-season. Much of Canada's fish meal production is a by-product of other processing operations but the reduced income from this source has a significant effect on the overall operations. Developments in world production and markets for this product are being carefully watched because Canada exports approximately two-thirds of its total production.

## BOARD ACTIVITIES

### *Fisheries Salt Assistance*

Vote 140 of the Main Estimates for 1959-60 provided \$600,000 for the payment of assistance subject to terms and conditions prescribed by the Governor in Council to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. That Vote included authority to charge the administrative costs of the measure to Vote 139 of the Main Estimates for 1959-60 which provided for the administrative expenses of the Fisheries Prices Support Act. The staff of the Prices Board was charged with the responsibility of administering the Salt Assistance Programme. The terms and conditions referred to above were prescribed by Order in Council P.C. 1960-182 dated the 18th of February 1960 and this Order also designated the products to be included in the assistance programme.

During the fiscal year under review, 6,007 individual payments were made to fishermen amounting to \$472,669.03. The breakdown by provinces was as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	4,801	\$383,528.92
Nova Scotia.....	745	52,263.44
New Brunswick.....	43	2,768.52
Prince Edward Island.....	39	684.85
Quebec.....	379	33,423.30

Of the above, 163 claims for a total of \$4,809.08 arose from the 1958 production year.



During the fiscal year 1959-60, \$127,330.97 was paid out to fish processing plants on 245 claims. Of these, 152 totalling \$62,924.52 were 1958 production year claims. The total claims and payments for the fiscal year were as follows:

<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland.....	63	\$30,664.53
Nova Scotia.....	88	58,164.05
New Brunswick.....	56	25,289.72
Prince Edward Island.....	10	4,056.72
Quebec.....	28	9,155.95

### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for the administration at Headquarters of the Fishermen's Indemnity Plan. As at March 31, 1960, 5,423 fishing vessels valued at \$16,347,840 were insured under the Plan.

### *Destruction of Dogfish, Pacific Coast*

The programme initiated by the Department in 1958 was continued in 1959-60 through provision of \$250,000 to be expended as a subsidy of 10 cents per pound on dogfish livers delivered to liver oil processing plants. During the year 1,443,720 pounds of livers were delivered and total subsidy of \$144,372 was expended.

The Chairman of the Board was responsible for organizing this project.

### *Community Stage Programme*

As indicated in the 1958-59 report of the Board, the Government accepted the Board's recommendation for the construction of 20 community processing facilities in selected Newfoundland fishing settlements as a measure of assistance to those areas stricken by the catch failure of 1958. The Chairman and staff of the Board were given responsibility for organizing the programme and working out the details with the Area Director of Fisheries in Newfoundland and the Department of Public Works which took charge of construction operations.

After selection of the sites and conclusion of the necessary working arrangements with fishermen in the various communities, construction proceeded during 1959. In many cases local difficulties in securing agreement on the exact location of the facility and in securing the necessary construction materials resulted in considerable delay. However 16 of the 20 "stages" had been largely completed before the end of the fiscal year. Work is proceeding towards completion of the entire programme during 1960-61, if possible.

In order to assist the fishermen in organizing for local management of the facility and to assist them to take maximum advantage of it from the standpoint of improvement in quality of production, instruction courses were organized in co-operation with provincial authorities at the Department's Fisheries Experimental Station at Valleyfield. These courses were attended by representatives of all communities concerned and also by departmental field officers. The results were considered very satisfactory.

The Department will continue to give supervision and guidance to the fishermen concerned as the various stages come into operation.

*Research*

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime Provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

**STAFF**

As at March 31, 1960, there were eight full-time employees on the staff as follows:

1 Chairman	1 Clerk 2
1 Executive Director	2 Clerk 1
1 Marketing Officer	1 Typist (seasonal)
1 Departmental Accountant 7	

**EXPENDITURES—1959-60**

During the fiscal year 1959-60, the following administrative expenses were incurred:

Salaries.....	\$46,679.82
Travelling Expenses.....	3,320.87
Freight, Express and Cartage.....	25.08
Postage.....	120.93
Telephones and Telegrams.....	351.67
Publication of Reports and Other Materials.....	292.95
Office Stationery, Supplies and Equipment.....	1,048.75
	<hr/>
	\$51,840.07

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.













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Canada Fisheries Prices Support Board

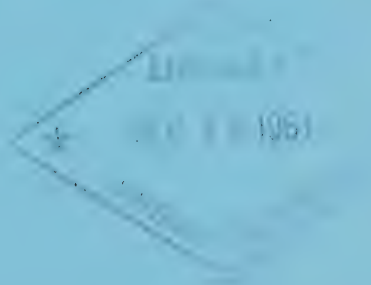


**FOURTEENTH  
ANNUAL REPORT**

OF THE

**FISHERIES PRICES  
SUPPORT BOARD**

**FOR THE YEAR  
1960-61**









*FOURTEENTH  
ANNUAL REPORT*

OF THE

*FISHERIES PRICES  
SUPPORT BOARD*

*FOR THE YEAR  
1960-61*

ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1961

## OFFICERS AND MEMBERS OF THE BOARD

■  
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Ottawa

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Halifax, N.S.

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C. E. DESOURDY  
Montreal, Que.

H. I. MIFFLIN  
Catalina, Nfld.

*Members*

K. F. HARDING  
Prince Rupert, B.C.

FRANCIS MILLERD  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June, 1961.

HONOURABLE J. ANGUS MACLEAN  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the fourteenth Annual Report of the Fisheries Prices Support Board for the fiscal year 1960-61.

I have the honour to be

Sir,

Your obedient servant,

IAN S. McARTHUR,  
*Chairman.*

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## **FISHERIES PRICES SUPPORT BOARD ANNUAL REPORT 1960-61**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **THE CANADIAN FISHERIES—1960**

For Canada as a whole, the landed value of all species of seafishes declined from \$94.8 million in 1959 to \$87.9 million in 1960. However, with the exception of the salmon and herring fisheries of British Columbia, the overall returns to fishermen were well maintained. On a provincial basis, the decline in British Columbia was from \$36.3 million to \$28.0 million, while in Newfoundland, New Brunswick and Prince Edward Island the landed values in 1960 were at record high levels. In both Nova Scotia and Quebec returns to fishermen were four per cent below those of the preceding year. There was no significant change in the overall landed value of the freshwater fisheries, reduced landings in Ontario were offset by increased prices to fishermen.

The decline in landings and value of the 1960 salmon fishery of British Columbia was the result of the coincidence of low cycle runs of all major species of salmon in that province. The pack of approximately 630,000 cases was less than half the long-term average and the smallest pack since 1921. The British Columbia salmon fishery is under full conservation management and the low catch of 1960 was the temporary result of unusual circumstances rather than any indication of a long-term decline. A substantial improvement is predicted for 1961. The herring fishery of British Columbia was seriously disrupted by a world wide collapse in prices of fish meal.

Almost all herring caught in British Columbia is reduced into meal and oil and the industry depends heavily on the export market for these products. Late in 1959 and continuing throughout 1960, world market prices for fish meal fell sharply as a result of a more than 50 per cent increase in supplies entering export markets. Production facilities had been expanded rapidly in Peru and other major fish meal producing countries. Prior to this time, manufacturers of poultry and animal feeding stuffs had tended to reduce the proportion of fish meal in their rations in response to the exceptionally high prices for fish meal during 1958-59. As a result of these factors, fish meal producers found it necessary to make major cost adjustments to meet the new situation. In British Columbia, where



prices to fishermen had been subject to negotiation between representatives of fishermen and of processors, operations were suspended from December 1959 to late in November 1960 when a new agreement was arranged. Thus, during 1960, the catch of herring totalled only 186 million pounds valued at \$2,702,000 as compared with 444 million pounds valued at \$7,355,000 in 1959. The whole situation was investigated and reviewed by the Prices Support Board but in view of the nature of the marketing arrangements between fishermen and processors and the heavy dependence of the industry on export markets, no direct intervention by the Board was recommended.

The world fish meal problem was the subject of an international meeting of interested countries held in Rome, Italy, March 20-29, 1961 at which the Board was represented. The meeting concluded with a series of recommendations to the fish meal industry and to governments designed to expand and develop new markets for fish meal both for animal and human food. In the first three months of 1961, a measure of recovery took place in world prices for fish meal.

For the Atlantic Coast as a whole, the major income producer in 1960 was the lobster fishery with a landed value of \$18,041,000 exceeding returns from the cod fishery by \$1.2 million. The 1960 value for lobsters was \$700,000 above that of 1959 and represented over 30 per cent of the total value of all species produced in the area. Increased returns to lobster fishermen were recorded in all provinces except Nova Scotia. Total landings of lobsters at 50.1 million pounds were the highest since 1956 and a further indication of successful conservation practices in this fishery.

The cod fishery with a catch of 603 million pounds in 1960 brought \$16.8 million in landed value and contributed 28 per cent of the income to fishermen of the Atlantic area. This species was the top revenue producer in Newfoundland and Quebec and ranked next to lobsters in Nova Scotia. The Newfoundland experience in 1960 was one of a particularly strong buying market for fishermen-cured salted fish. The higher prices received more than offset a minor decline in total landings. Prices to fishermen from the freezing plants showed little change. Other significant increases in landings and landed values in the Atlantic provinces were recorded in the flatfishes, particularly flounders, pollock and scallops. Prices received for scallops were somewhat lower as a result of the sharp increase in landings. The decline in fish meal prices, while not affecting the Atlantic processors as sharply as in British Columbia, did have an influence on revenue from overall operations where fish meal is produced from the by-product of filleting and canning operations.

No serious problems of lower prices or reduced incomes occurred in the Atlantic provinces in 1960 although certain areas, including the Magdalen Islands, experienced reduced catches and required some investigation by the Board.

### FISHERIES MARKETS—1960

The domestic market for fishery products remained stable throughout 1960. There was a minor rise in the index of wholesale prices of fishery products from a level of 337.6 (1935-39=100) in January to 345.1 in December. Important factors in the increase were higher prices for canned salmon arising out of the short pack and some improvement, late in the year, in prices of cod and haddock fillets. The year opened with a high stock position of all major categories of frozen seafood but during the year the position improved and by January 1961 stocks of all species of groundfish at 15.1 million pounds was 7.0 million pounds below those of January 1960. There is no evidence of any significant change in the per capita consumption of fishery products in Canada during the year.

Major export markets for fishery products showed considerable strength throughout 1960 although, as the year progressed, the renewed strength of the

fresh and frozen market was offset by weaknesses in some important markets for salted and cured fish. This was a reversal of the experience of 1959. As in Canada stocks of frozen fish in the United States were high during the early months of the year but the position gradually improved to more normal figures at the close of the year. This improvement was reflected in higher prices during the fall and winter months of 1960-61. Exports of fresh and frozen seafood were valued at \$48.3 million in 1960 as compared to \$46.5 million in 1959. Almost all these exports were to the United States although an interesting development was the first shipment in many years of frozen cod to the United Kingdom market. Exports of fresh and frozen freshwater fish increased in value from \$19.9 million in 1959 to \$20.5 million in 1960. These products also find their market in the United States. There were short-term weaknesses in the market for freshwater fish early in 1961 but prices recovered to normal levels in February and March.

Following relatively low world production of salted fish in 1959, the 1960 marketing season opened in July with low stocks and strong demand. This situation was reflected in demand and prices paid to fishermen for semi-processed salt fish and such prices reached the highest level in recent years. In the export market, however, total supplies were greater and some markets, notably Cuba, became more and more restricted as the season progressed. As a result, the inventory position became unfavourable with the prospect of a substantial carry-over of unsold stocks at the end of the marketing year. Reduced prices resulted in some additional sales but at the end of the fiscal year prospects were not encouraging.

The low pack of canned salmon was sharply reflected in the total value of exports of canned fish which declined from \$25,983,000 in 1959 to \$15,144,000 in 1960. All of the decline was accounted for in the figures for canned salmon which declined from \$11,975,000 to \$5,027,000. Lower shipments were made to almost all markets but the major short-fall was to the United Kingdom. A substantial increase was shown in exports of canned sardines which brought a value of \$3,523,000 in 1960 as compared to \$2,953,000 in the previous year. The increase was general although particularly good gains were made in Australia and Jamaica. There was also a significant increase in the value of canned lobster exports particularly to the United States and the United Kingdom.

As indicated elsewhere, the market for fish meal was seriously disrupted in 1960. Canadian exports were reduced from 47,000 tons to 36,000 tons and the value declined from \$7,015,000 to \$3,955,000. The major market for this product is the United States.

## BOARD ACTIVITIES

The Board met on January 19-20, 1961 to review the outcome of 1960 fishing operations with particular reference to prices and income to fishermen. In general, prices to fishermen showed little change in 1960. Although overall income to fishermen declined by approximately seven per cent, the only significant declines in incomes of individual fishermen occurred in the salmon and herring fisheries of British Columbia. The circumstances surrounding these particular declines in incomes were not susceptible to alleviation through action under the Prices Support Act. During the year, the staff of the Board, in addition to maintaining a review of prices and income to fishermen, continued to administer the Fisheries Salt Assistance Programme, the Fishermen's Indemnity Plan at headquarters and other assignments delegated by the Department of Fisheries.

### *Fisheries Salt Assistance*

Vote 142 of the Main Estimates of 1960-61 provided \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor General in Council, to producers of salted fish on products designated by the Governor in

Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. That Vote included authority to charge the administrative costs of the measure to Vote 141 of the Main Estimates of 1960-61 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms and conditions referred to above were prescribed by Order in Council P.C. 1960-1108 dated August 11, 1960 and this Order also designated the products to be included in the assistance programme. An additional item of \$155,105 was included in the Further Supplementary Estimates (5) for the fiscal year ending March 31, 1961 to meet the cost of payments under this programme.

During the fiscal year 1960-61, a total of 6,410 individual payments were made to fishermen in the amount of \$468,589.30. Payments by provinces were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	5,057	\$400,820.41
Nova Scotia.....	762	43,151.75
New Brunswick.....	39	790.98
Prince Edward Island.....	52	1,208.33
Quebec.....	500	22,617.83

Of the above, 283 claims for a total of \$10,569.76 arose from the 1959 production year and 4 totalling \$469.22 were from the previous year.

During the year under review \$286,515.67 was paid to fish processing plants on 484 claims. Of these, 255 totalling \$146,750.43 were 1959 production and 2 for \$170.47 were from 1958. Total claims and payments for the fiscal year to plants were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	102	\$ 96,637.96
Nova Scotia.....	169	103,460.87
New Brunswick.....	105	38,912.24
Prince Edward Island.....	26	18,287.09
Quebec.....	82	29,217.51

#### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for administration at headquarters of the Fishermen's Indemnity Plan. Under this Plan, fishermen owning vessels valued between \$250 and \$10,000 are able to secure protection against fire, thieves and marine perils for a premium of one per cent of the appraised value of the vessel. As at March 31, 1961 a total of 5,634 fishing vessels valued at \$17,802,970 were insured under the Plan. The Plan also offers lobster fishermen in the Atlantic provinces low cost insurance against storm and other hazards to their lobster traps. During 1960-61, 683 fishermen took advantage of this opportunity.

#### *Community Stage Programme*

The programme to provide community fish processing facilities in certain Newfoundland fishing settlements was extended to additional communities during 1960-61. Difficult winter working conditions and suspension of construction during the active fishing seasons have delayed final completion of the programme initiated early in 1959. It is expected that twenty stages will be completed and



ready for operation during fiscal year 1961-62. Experience to date has indicated that fishermen using these facilities have been able to increase their production and improve the quality of the product.

### *Research*

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

### STAFF

As at March 31, 1961, there were eight full time employees on the staff as follows:

1 Chairman	1 Clerk 3
1 Executive Director	1 Clerk 2
1 Administrative Officer 6	2 Clerk 1
1 Departmental Accountant 3	

### EXPENDITURES—1960-61

During the fiscal year 1960-61, the following administrative expenses were incurred:

Salaries.....	\$45,725.70
Travelling Expenses.....	4,642.68
Freight, Express and Cartage.....	66.63
Postage.....	25.14
Telephones and Telegrams.....	338.44
Publication of Reports and Other Materials.....	247.64
Office Stationery, Supplies and Equipment.....	1,354.87
Expenses of Board Members.....	1,716.30
	<hr/>
	\$54,117.40

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

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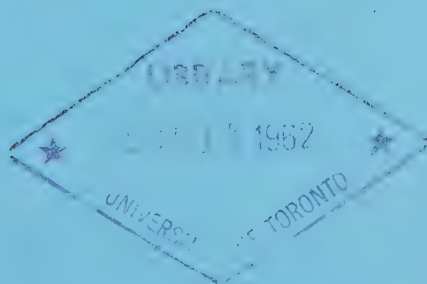


(FIFTEENTH)  
ANNUAL REPORT

(OF THE)

CANADA. FISHERIES PRICES  
SUPPORT BOARD.

FOR THE YEAR  
1961-62







*FIFTEENTH  
ANNUAL REPORT*

OF THE

*FISHERIES PRICES  
SUPPORT BOARD*

*FOR THE YEAR  
1961-62*

ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1962



## OFFICERS AND MEMBERS OF THE BOARD



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Ottawa

### *Members*

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Montreal, Que.

W. R. RITCEY  
Riverport, N.S.

K. F. HARDING  
Prince Rupert, B.C.

H. I. MIFFLIN  
Catalina, Nfld.

FRANCIS MILLERD  
Vancouver, B.C.

### *Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June 1962.

HONOURABLE J. ANGUS MACLEAN,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the fifteenth Annual Report of the Fisheries Prices Support Board for the fiscal year 1961-62.

I have the honour to be

Sir,

Your obedient servant

IAN S. MCARTHUR  
*Chairman.*

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## **FISHERIES PRICES SUPPORT BOARD ANNUAL REPORT 1961-62**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **THE CANADIAN FISHERIES—1961**

Subject to considerable variation between and within producing areas, the fishery output of 1961 was approximately 10 per cent above the previous year. Total values of production, reflecting both catch and prices, were even more favourable since prices of most species were strong throughout the year. In general the demand for fish appears to have kept pace with general economic recovery and United States authorities report a significant rise in per capita consumption of fish for the first time in many years. Of particular interest to the Canadian industry is the continued increase in United States utilization of frozen cooked fish sticks and portions based mainly on Atlantic Coast groundfish thus providing an expanding market for Canada's Atlantic Coast fishery.

In British Columbia production in 1961 increased to 630 million pounds from the abnormally low level of only 340 million pounds in 1960 when production of herring was interrupted by protracted negotiations between fishermen and processors and when the salmon runs were at the low point of their cycles. In 1961 the herring industry operated at full capacity and salmon runs, although not exceptional, were substantially better than in 1960. The total landed value received by British Columbia fishermen was \$38.0 million as compared to \$29.8 in 1960.

On the Atlantic Coast, only Nova Scotia and Quebec enjoyed increases in both production and values in 1961 over the previous year with the result that the area totals were slightly below those of the previous year. In Newfoundland the season was delayed by abnormal ice conditions and this was followed by a partial failure of the summer cod trap fishery particularly along the east coast of the Province. The decline in production was offset in part by higher prices both for fresh and salted fish products. The lobster fishery in Newfoundland was close to normal and again prices were stronger. As indicated, production and values increased in Nova Scotia with the gains most pronounced in the haddock, herring, scallop and lobster fisheries. Here too prices were strong throughout the year. In New Brunswick a sharp drop in herring catches from 136 million pounds to

56 million pounds accounted for almost all of the lower returns in that Province although the lobster catch was also somewhat reduced. Little change occurred in Prince Edward Island but a drop of about 5 per cent in the lobster catch was only partially offset by higher production and values in the oyster fishery. In Quebec, despite a drop in the lobster catch, total returns were slightly higher in 1961 mainly due to increases in groundfish and herring catches and some improvement in prices to fishermen.

Production in the inland freshwater fisheries, as reflected in export statistics, show an increase of over 10 per cent in 1961 over 1960. There were increases in both output and values of all major species.

From the point of view of the Fisheries Prices Support Board the only area or fishery of major concern in 1961 was the Newfoundland inshore fishery where income was substantially reduced by the failure of the inshore trap fishery and inability of these fishermen to supplement their incomes from other fisheries or occupations.

### FISHERIES MARKETS—1961

With a few minor exceptions, the demand for fishery products, domestic and foreign, tended to press upon available supplies in 1961, especially in the last six or eight months of the year. Stocks at January 1st, which provide supplies during the months of low fishing effort, were favourable to the maintenance of firm wholesale and export prices. Salted fish was an exception to this generalization, but there was practically no carry-over of canned salmon from the small pack of 1960 and North American holdings of frozen groundfish products—fillets, blocks, sticks, etc.—had been reduced considerably by the strong U.S. demand for blocks.

During the early part of 1961 salted fish exporters were concerned with marketing prospects because of the large stocks carried over from 1960, totalling about 70 million pounds on a product weight basis. Together with the uncertainty about sales to Cuba, a carry-over of this magnitude threatened export price levels. Sales were made at fairly low prices, especially of wet-salted to Europe, early in the year and these contributed materially to a clearing of the stock position. As the season of 1961–62 got under way, it became apparent that Newfoundland production, which is the significant factor, might be less than in previous years. Attractive prices were being offered for raw fish by operators of freezing plants and, where it was physically possible, fish was diverted from salted to freezing—contributing further to the lessening of salted cod production.

The uncertainty surrounding the Cuban market was resolved late in the season as a result of strenuous sales efforts by exporters complemented by several representations to the Cuban authorities by the Canadian Government. Sales to this market for the year (3.5 million pounds) were considerably less than in 1960 (8.3 million pounds), but the fact that some business was done strengthened the market considerably. Brazil remained closed to Canadian exporters of salted fish because of the exchange advantage enjoyed by exporters in Norway and other countries. To some extent, however, this situation allowed exporters greater opportunity in the traditional Caribbean markets where competition from European and Scandinavian suppliers was lighter than normal. Export prices and returns to fishermen advanced steadily towards the end of the year and in some cases Newfoundland fishermen received prices that probably set a record. By December 31, 1961, stocks (42.6 million pounds product weight) were much less than was the case at the end of 1960 (69.5 million pounds), and may not be sufficient to meet market requirements in the first months of 1962.

During 1961 the North American market for groundfish products—fillets, sticks and portions—continued its recovery from the difficult position that had been encountered in the winter of 1959–60. In the United States there was, apparently, an active demand for these products. Stocks were drawn down



during the year by 6.7 million pounds, production of frozen fillets was up by 4.6 million pounds, and imports increased by 39.7 million pounds over 1960. Consumption of these products, on the basis of these statistics, appears to have increased by 51.0 million pounds. The economic reasons for this are not clear and part of this statistical consumption may have resulted from a replenishing of pipeline stocks, run down when the market was relatively weak. Whatever the cause, or causes, the evidence from statistics is borne out by the efforts of Canadian processors to obtain raw fish in 1961 and their effect on prices paid to fishermen during the year.

In part the increased consumption of groundfish fillets in the United States in 1961 is accounted for by the rising demand for frozen "portions". This item is particularly adapted to institutional feeding because it can be produced in any size or weight required for an individual serving. Production did not begin in the United States until 1958. In 1960 about 48 million pounds were produced and there was an increase to 60 million pounds in 1961. So far this new product does not appear to have replaced fish sticks or the traditional fillet to any significant degree, so that its use may represent a net gain in sales of the products of the groundfish industry.

The major feature connected with canned salmon in 1961 was domestic production rather than any market condition—the return to a normal level of production (1.4 million standard cases) from the very low production of the previous year (632,000 cases). As a result, the exported value of canned salmon rose from \$10.9 million to \$13.0, but did not approach the value attained in 1959 (\$22.5). Most of the increase in export sales occurred in the British market. The value of exports of canned sockeye to that outlet rose from \$4.4 million in 1960 to \$5.6 million in 1961. Competition from Japan and Russia, particularly on a price basis, continued to be of paramount importance to Canadian exporters and, no doubt, will remain as a significant factor for some time to come.

## BOARD ACTIVITIES

As indicated in the reports on fisheries production, income and markets, the overall economic health of the fishing industry was one of improvement throughout 1961. The only area of serious concern was the income position of Newfoundland inshore fishermen who suffered a partial catch failure in the traditional trap fishery. The short catch and consequent low production of salted fish products resulted in substantial price increases to those fishermen who secured a catch so that direct action under the Fisheries Prices Support Act offered no solution to the problem. The Board met, however, on September 28, 1961 and recommended two courses of action to relieve the situation. It was reported to the Board that fishermen in the most seriously affected areas could produce substantial quantities of turbot but that the historic market for pickled turbot was declining and no other outlet for their production appeared possible. In an effort to provide some immediate market and particularly with a view of longer term possibilities the Board recommended an experiment in the production and marketing of frozen fillets and headless dressed turbot. The Government made \$60,000 available to the Board for the purchase of these products and arrangements were made with the Frozen Fish Trades Association Limited in St. John's, Newfoundland for production. Unfortunately the season was well advanced and only a total of 6,400 pounds of fillets and 2,232 pounds of headless dressed product was produced. These frozen products were delivered to Montreal where arrangements were made through the Montreal Fish Merchants Association for their experimental sale in commercial channels. The headless dressed product was considered to have a potential market mainly in the institutional trade while the fillets were to be offered to retail outlets as well as hotels and restaurants. Arrangements were made with the distributors for a full report on consumer



acceptability, volume and price possibilities. When this information becomes available it will be passed to Newfoundland processors with a view to possible commercial development. In view of the heavy dependence of Newfoundland fishermen on the cod fishery it is hoped that the development of fisheries based on other species may result in modification of annual fluctuations in production and income. The second course of action suggested by the Board was a Federal-Provincial winter works program in fishing settlements with a view to providing some immediate employment and the construction of some useful public works in such communities. The Federal Government provided \$300,000 towards this program and details were worked out with the Provincial Government which agreed to provide additional financing up to 25 per cent of the labour cost of the projects and to assume local administration of the program. A wide range of projects such as road work, bridges, slipways, community facilities and so forth were carried out in some 400 fishing settlements.

#### *Fisheries Salt Assistance*

Vote 145 of the Main Estimates of 1961-62 provided \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor General in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. That Vote included authority to charge the administrative costs of the measure to Vote 144 of the Main Estimates of 1961-62 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms and conditions referred to above were prescribed by Order in Council P.C. 1961-682 dated May 11, 1961 and this Order also designated the products to be included in the assistance program.

During the fiscal year 1961-62, a total of 6,286 individual payments were made to fishermen in the amount of \$347,347.90. Payments by provinces were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	4,947	\$293,027.45
Nova Scotia.....	736	35,262.59
New Brunswick.....	19	390.22
Prince Edward Island.....	43	1,398.15
Quebec.....	541	17,269.49

Of the above, 537 claims for a total of \$19,775.23 arose from the 1960 production year, 4 totalling \$122.04 from 1959 production and 1 in the amount of \$500.02 from 1958 production.

During the year under review \$215,112.91 was paid to fish processing plants on 330 claims. Of these 209 totalling \$142,996.93 were 1960 production and 4 for \$3,479.82 were from 1959. Total claims and payments for the fiscal year were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	97	\$ 64,953.04
Nova Scotia.....	115	91,427.68
New Brunswick.....	50	35,614.63
Prince Edward Island.....	26	10,682.52
Quebec.....	42	12,435.04

### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for administration at headquarters of the Fishermen's Indemnity Plan. Under this Plan, fishermen owning fishing vessels valued between \$250 and \$10,000 are able to secure protection against marine perils, fire and thieves for a premium of one per cent of the appraised value of the vessel. As at March 31, 1962, a total of 6,034 vessels valued at \$19,919,850 were insured under the Plan. The Plan also offers lobster fishermen in the Atlantic provinces low cost insurance against storm and other hazards to their lobster traps. During 1961-62, 793 fishermen availed themselves of this protection.

### *Research*

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1962, there were six full time employees on the staff as follows:

1 Chairman	1 Departmental Accountant 3
1 Executive Director	1 Clerk 3
1 Administrative Officer 6	1 Clerk 1

## EXPENDITURES—1961-62

During the fiscal year 1961-62, the following administrative expenses were incurred:

Salaries and Wages.....	\$51,962.37
Travelling Expenses.....	4,372.57
Freight, Express and Cartage.....	18.65
Postage.....	77.66
Telephones and Telegrams.....	437.00
Publication of Reports and Other Materials.....	216.11
Office Stationery, Supplies and Equipment.....	1,665.07
Expenses of Board Members.....	1,956.09
	<hr/>
	\$60,705.52
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

# FISHERIES PRICES SUPPORT ACCOUNT

Statement of Operations for the Year Ended March 31, 1962.

Newfoundland Frozen Turbot Support Program  
(1961 Production)

## Purchases:

Fillets	-6,400 lbs. @ 27¢.....	\$1,728.00	
Headless Dressed	-2,232 lbs. @ 20¢.....	446.40	\$2,174.40
			<hr/>
Add: Storage charges.....			41.38
			<hr/>
Total Cost of Purchases.....			\$2,215.78
Less: Inventory, March 31, 1962.....			\$2,215.78
			<hr/>
Profit or Loss on 1961-62 Operations.....			Nil
			<hr/> <hr/>

Price 15 cents

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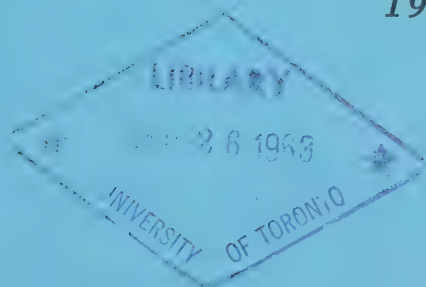


(SIXTEENTH)  
ANNUAL REPORT

(OF THE)

11) CANADA, FISHERIES PRICES  
SUPPORT BOARD

FOR THE YEAR  
1962-63







*SIXTEENTH  
ANNUAL REPORT*

OF THE

*FISHERIES PRICES  
SUPPORT BOARD*

*FOR THE YEAR  
1962-63*

## OFFICERS AND MEMBERS OF THE BOARD

●  
*Chairman*

I. S. McARTHUR  
Ottawa

*Members*

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Montreal, Que.

W. R. RITCEY  
Riverport, N.S.

K. F. HARDING,  
Prince Rupert, B.C.

H. I. MIFFLIN  
Catalina, Nfld.

FRANCIS MILLERD  
Vancouver, B.C.

*Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June 1963.

HONOURABLE HEDARD J. ROBICHAUD,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the sixteenth Annual Report of the Fisheries Prices Support Board for the fiscal year 1962-63.

I have the honour to be

Sir,

Your obedient servant

IAN S. McARTHUR  
*Chairman*



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## **FISHERIES PRICES SUPPORT BOARD ANNUAL REPORT 1962-63**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **THE CANADIAN FISHERIES—1962**

New high levels of production, prices and particularly landed and marketed values were recorded in most of Canada's fisheries and fishing areas during 1962. For the country as a whole landed values were close to 15 per cent above 1961. All coastal provinces enjoyed higher landed values and only Nova Scotia had a decrease in landed weight. However, this decrease was offset by increases in the more valuable species.

For the Atlantic provinces as a whole landed values reached \$67.6 million with lobsters alone contributing \$19.6 million as the highest single species. Cod was a close second at \$18.6 million followed by haddock at \$4.8 and scallops at \$4.7. The increase in the scallop catch from 10.5 million pounds to 13.9 million pounds and the landed value from \$3.1 million to \$4.7 million was a reflection of increased catching equipment and investment generally in this important fishery. Among the provinces, Nova Scotia leads with a landed value of \$32.1 million followed by just under \$17.0 million for Newfoundland and \$9.0 million for New Brunswick. In Newfoundland, the cod fishery still dominates with a landed value of \$10.7 million or 63 per cent of the total. Other lesser fisheries like lobster, flounder and redfish also recorded good increases.

The Pacific Coast fishery of British Columbia showed an increase in landed values from \$39.6 million to \$46.8 million with salmon, halibut and herring as the dominant species. Major increases in values were recorded for pink salmon and halibut reflecting the record catch of pink salmon and higher prices for a good catch of halibut.

Statistics of the inland freshwater fisheries are less complete on a species and area basis but in general the year 1962 was a satisfactory one for these areas. Exports of freshwater fish, mainly to the United States at approximately \$22.0 million were above 1961 and at a record high level. Most of the lakes of the Prairie provinces recorded increased production and further increases in the catch of perch and smelt were registered in the Great Lakes, although prices were sharply lower.

## FISHERIES MARKETS—1962

The Canadian fishing industry faced a considerable number of developments abroad in 1962 which seemed ominous at the time of their appearance. In some cases the apprehensions associated with these developments proved to be groundless, but some pose continuing problems. United Kingdom entry into the Common Market with its attendant uncertainties has been postponed. The Common External Tariff erected by the Six has been in existence for about a year but current experience does not suggest that it has seriously impeded traditional exports. In the Caribbean area, however, the cured fish industry underwent another year during which the Cuban market was completely closed, and several months of political disruption in Haiti and the Dominican Republic which adversely affected commercial payments.

These developments did not affect all parts of the industry. North American demand for fresh and frozen fish and shellfish continued as the dominant market factor and, coupled with the devaluation of the Canadian dollar, was responsible for record prices paid to fishermen for groundfish and other species. The strength of this market was also reflected in the growing utilization of species which, traditionally, were used for salting or were discarded at sea. A few years ago pollock, hake and catfish were in this category, but in 1962 over 12 million pounds of fillets were produced from these species.

The North American market continues, of course, to be molded by United States demand for Canadian fishery products, which had an estimated f.o.b. plant value of \$250 million last year. Exports to the United States accounted for \$114 million from this total, or 45 per cent of production. It is estimated that the value of sales in Canada was \$90 million with the two countries accounting for 80 per cent of the products of the fishing industry. For some sectors of the industry, notably the fresh and frozen trades in British Columbia, in the freshwater areas and on the Atlantic Coast, total output goes to the North American market. This is not true of canned and cured fish which are sold in a large number of countries, some of which represent substantial markets but most are of minor significance. This foreign demand, originating largely in European and Caribbean countries, has not kept pace with North American development and in some cases is clearly declining. The market for salted fish is now reduced almost to the Caribbean area; sporadic sales were made in 1962 to Portugal and Italy but only after intensive price negotiations. The Cuban authorities continued their policy of not allocating dollars for the purchase of Canadian codfish, and in Brazil exchange regulations have brought about domestic prices which rule out sales of Canadian fish in the traditional Brazilian markets. It is of interest in this connection to note that sales of boneless cod to the United States continued at normal levels—6 to 7 million pounds annually—and that prices increased over those of 1961.

The British Columbia canning industry was concerned, of course, with the possible consequences of United Kingdom membership in the Common Market during the year, and with the affect upon sales of the initiation of the Common External Tariff. In its first stage it does not appear that this new tariff has affected Canadian sales adversely. This was due, in part, to the special efforts put forth by exporters to move the bumper pack of pink salmon. Sales of frozen and canned British Columbia salmon to the countries in the Market totalled \$2.1 million in 1961, but rose to \$3.9 million in 1962.

## BOARD ACTIVITIES

### *Frozen Turbot Experiment*

As recorded in the 1961-62 Annual Report, an experiment in market development for frozen Newfoundland turbot was authorized late in 1961. The object of the experiment was to test metropolitan markets for this product in an effort to provide an outlet for a substantial production potential and to replace declining markets for pickled turbot. Arrangements were made to have frozen whole and dressed turbot and fillets of turbot produced and disposed of through regular marketing channels, primarily in Montreal. The frozen product was also subjected to quality and palatability tests in the Department's Test Kitchen in Ottawa and the Technological Station of the Fisheries Research Board of Canada at Halifax.

While the quantities produced under the program, 2,232 pounds of headless dressed and 6,400 pounds of fillets were not as great as had been hoped, they were nevertheless sufficient to provide a reasonable appraisal of consumer reaction and market possibilities.

The frozen headless dressed product was disposed of mainly through the institutional trade and met with a very ready response at a wholesale price of 30 cents per pound. The product had a particularly attractive appearance and good flavour although rather higher oil content than is generally acceptable. It was clear that a commercial market could be developed for this product at the price quoted and which would provide a reasonable return to fishermen and processors.

The filleted product was distributed largely through retail stores, hotels and restaurants and although reports were generally favourable sales were slow at approximately the same prices as for the headless dressed product. The higher production cost of the filleted product makes it a less attractive commercial product although perhaps more time would be required to develop a consumer demand at higher prices in competition with a wide variety of alternative fish products in this form.

The financial statement covering this activity is presented later in this report.

It is noted that some continued interest in the production and sale of these products has developed.

### *Requests for Support*

Late in the fiscal year, representations were received by the Board in connection with low prices to producers of mackerel in 1962 particularly in the Magdalen Islands. This question is under investigation. Marketing difficulties and prospective surplus stocks of pickled mackerel, herring and alewives and bloaters in the Atlantic area were also under study at the end of the fiscal year.

### *Fisheries Salt Assistance*

Vote 65 of the Main Estimates of 1962-63 provided \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor General in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. That Vote included authority to charge the administrative costs of the measure to Vote 60 of the Main Estimates of 1962-63 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms



and conditions referred to above were prescribed by Order in Council P.C. 1962-370 dated March 22, 1962 and this Order also designated the products to be included in the assistance program.

During the fiscal year 1962-63, a total of 6,301 individual payments were made to fishermen in the amount of \$402,497.52. Payments by provinces were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	5,051	\$ 346,910.93
Nova Scotia.....	711	30,789.68
New Brunswick.....	17	255.61
Prince Edward Island.....	51	1,022.49
Quebec.....	471	23,518.81

Of the above 297 claims for a total of \$10,950.52 arose from the 1961 production year and 7 claims totalling \$235.59 from 1960 production.

During the year under review \$197,502.19 was paid to fish processing plants on 397 claims. Of these 295 totalling \$130,340.55 were 1961 production, 5 claims for \$4,006.15 were from 1960 production, 1 claim for \$68.75 was from 1958 and 1 claim for \$439.50 was from 1957 production. Total claims and payments for the fiscal year were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland.....	123	\$ 51,471.39
Nova Scotia.....	144	92,759.44
New Brunswick.....	74	32,301.76
Prince Edward Island.....	44	12,980.84
Quebec.....	12	7,988.76

#### *Fishermen's Indemnity Plan*

The Chairman and the Executive Director of the Board are responsible for administration at headquarters of the Fishermen's Indemnity Plan. Under this Plan, fishermen owning fishing vessels valued between \$250 and \$10,000 are able to secure protection against marine perils, fire and thieves for a premium of one per cent of the appraised value of the vessel. As at March 31, 1963, a total of 6,376 vessels valued at \$21,257,625 were insured under the Plan. The Plan also offers lobster fishermen in the Atlantic provinces low cost insurance against storm and other hazards to their lobster traps. During 1962-63, 407 fishermen availed themselves of this protection.

#### *Research*

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in Quebec and the Maritime provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

**STAFF**

As at March 31, 1963, there were seven full time employees on the staff as follows:

1 Chairman	1 Departmental Accountant 3
1 Executive Director	1 Clerk 4
1 Administrative Officer 6	1 Clerk 3
	1 Clerk 2

**EXPENDITURES—1962-63**

During the fiscal year 1962-63, the following administrative expenses were incurred:

Salaries and Wages.....	\$53,566.61
Travelling Expenses.....	3,297.25
Postage.....	75.74
Telephones and Telegrams.....	166.78
Publication of Reports and Other Materials....	285.00
Office Stationery, Supplies and Equipment.....	385.22
	<hr/>
	\$57,776.60
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

**FISHERIES PRICES SUPPORT ACCOUNT**

Statement of Operations for the Year Ended March 31, 1963

Newfoundland Frozen Turbot Support Program  
(1961 Production)

**FROZEN FILLETED TURBOT**

Receipts from sales..... \$1,756.53

Deduct:

Cost of inventory at March 31, 1962..... \$1,763.22

Handling charges..... 288.69

Total cost of purchases..... \$2,051.91

Less value of fish used as samples..... 45.90

---

\$2,006.01

Less inventory at March 31, 1963..... Nil

Cost of fish sold..... \$2,006.01

Loss on sales..... \$ 249.48

Add value of samples..... 45.90

Loss on Fillet Program..... \$295.38



## FISHERIES PRICES SUPPORT ACCOUNT—Concluded

## FROZEN HEADLESS DRESSED TURBOT

Receipts from sales.....	\$	640.05
--------------------------	----	--------

Deduct:

Cost of inventory at March 31, 1962.....	\$	452.56
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Handling charges.....		64.01
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Total cost of purchases.....	\$	516.57
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Less value of fish used as samples.....		29.40
---	--	-------

	\$	487.17
--	----	--------

Less inventory at March 31, 1963.....		Nil
---------------------------------------	--	-----

Cost of fish sold.....	\$	487.17
------------------------	----	--------

Profit on sales.....	\$	152.88
----------------------	----	--------

Deduct value of samples.....		29.40
------------------------------	--	-------

Profit on Headless Dressed Program.....		\$123.48
---	--	----------

Net loss on 1962-63 Operations.....		\$171.90
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1963







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*Seventeenth Annual Report of the*

*Committee*

# FISHERIES PRICES SUPPORT BOARD

1963-64









*Seventeenth Annual Report of the*

# FISHERIES PRICES SUPPORT BOARD

1963-64

## OFFICERS AND MEMBERS OF THE BOARD

●  
*Chairman*

I. S. McARTHUR  
Ottawa

*Vice-Chairman*

K. F. HARDING,  
Prince Rupert, B.C.

*Members*

C. E. DESOURDY,  
Montreal, Que.

FRANCIS MILLERD,  
Vancouver, B.C.

H. I. MIFFLIN  
Catalina, Nfld.

W. R. RITCEY,  
Riverport, N.S.

*Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June 1964

HONOURABLE HÉDARD J. ROBICHAUD,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the Annual Report of  
the Fisheries Prices Support Board for the fiscal year 1963-64.

I have the honour to be

Sir,

Your obedient servant

IAN S. McARTHUR  
*Chairman*

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# **FISHERIES PRICES SUPPORT BOARD**

## **ANNUAL REPORT 1963-64**

### **FISHERIES PRICES SUPPORT ACT**

The Act which came into force in July 1947 gives the Fisheries Prices Support Board the usual powers of a Government corporation; provides a working fund of \$25 million; and sets out the two methods that may be used to support prices of fisheries products. These methods are (a) the purchase of any fisheries product at a prescribed price and (b) the making of deficiency payments to producers of a fisheries product equal to the difference between a prescribed price and the average price at which such product was sold during a specified period. The Act furthermore directs that in prescribing prices the Board shall endeavour to ensure adequate and stable returns for fisheries by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from fisheries and those from other occupations.

All decisions of the Board about products meriting support and about the prices at which these products are to be supported are subject to approval by the Governor in Council.

### **THE CANADIAN FISHERIES — 1963**

From the point of view of catch and returns to fishermen 1963 was a good year for the Atlantic provinces, a disappointing year for British Columbia and about average for the inland fisheries. There was, however, rather more difficulty in marketing particular products than had been the case in recent years.

In the Atlantic fisheries, landed values increased over 1962 in all provinces except Prince Edward Island where the outcome was slightly lower. Strong markets together with increased catches of cod, flounders, swordfish and scallops were important factors in the overall result. The important lobster catch was slightly lower in volume but this was more than offset by higher prices. The most spectacular increase in production was in the swordfishery where the introduction of line fishing resulted in a four fold increase in the catch to a total of 12.5 million pounds. As a result of this sharp increase in supply, prices to fishermen suffered a considerable decline. In the processing field, the production of fresh and frozen fillets, blocks and portions continued to increase. There was little change in the output of salted fish although the trend towards increased production of heavy salted fish was reversed with the result that light salted production increased by about 25 per cent. The production of pickled herring, mackerel and alewives as well as smoked bloaters was high with the result that certain marketing difficulties were encountered in the limited export markets for these products.



The outcome of the 1963 fishery in British Columbia represented a substantial decline from 1962 with the main fall in returns being in the salmon and halibut fisheries. Both catch and values of all species of salmon were lower partly due to cyclical factors and also to a ten-day strike at the commencement of the season. The decline in halibut returns was mainly due to lower prices although the catch was also slightly below that of 1962. The herring catch on the other hand was well up from 1962 and total returns from this species increased by over 35 per cent.

There was little significant change in total landings from the inland lakes although the catch of certain species in some areas such as smelt and perch in Lake Erie was down from 1962. Catches in the lakes of the Prairies provinces and in Great Slave Lake were satisfactory. Market disruption during the closing months of the year resulted in some restriction of catches particularly in Manitoba and Saskatchewan.

### **THE MARKET FOR FISHERY PRODUCTS — 1963**

The demand for fishery products showed continuing strength in 1963 both in Canada and in the markets abroad. In 1960, for example, the value of exports of fishery products was \$138 million. In 1963 the value had risen to \$172 million — an increase of 25 per cent in three years. Part of this was due to the depreciation of the Canadian dollar but a significant contribution stemmed from higher unit prices in the United States and other important markets. The volume of exports increased little, if at all, principally because the output of many of the important fisheries is restricted by the resource management dictated by conservation principles.

The general rise in the level of product prices was reflected in the dockside prices of many important species landed at Atlantic ports. Record prices were registered through the season for lobsters, halibut and for some grades of salted fish produced in Newfoundland. In British Columbia the record production of herring and halibut was tempered by the rather sharp drop in the dockside price of the latter species which declined from the record prices of the previous year by about 10 cents a pound, on the average. The market for some freshwater species was temporarily disrupted towards the end of the year by the deaths of several persons in the United States from botulism. These were attributed to the consumption of uncooked smoked fish and, as a result, the smoking of certain lake species and the sale of the "vacuum packed" smoked fish were banned temporarily in several of the important U.S. markets. Remedial action was taken by both governments and the market, and prices began to improve early in 1964. This situation affected the sale of all smoked products including, for example, kippered herring, and smoked fillets from the Atlantic Coast.

Despite these cases of reversals in the general price trend the value of the total catch for 1963 was the second highest on record. The decline in the value of the catch in British Columbia from 1962 of about \$9 million was offset in part

by the increase in value of the Atlantic catch. The sharp decline in the value of the B. C. catch in 1963 cannot be ascribed entirely to demand conditions. Probably the main factor was the loss of catches from the major sockeye runs during the 3 weeks when the industrial dispute prevented fishing. A normal catch of this valuable species might have resulted in a landed value in that Province at, or near, the record level of the previous year.

The well established position of the United States as the most important customer of the Canadian fishing industry was maintained in 1963. Exports to that country were valued at \$116 million or 67 per cent of all exports. This should not overshadow a significant gain in sales to Europe which rose in value to \$33 million — a 40 per cent increase of that of the previous year. Frozen salmon and groundfish fillets and canned pink salmon sold to Britain largely accounted for this development in 1963.

In the United States the demand for fish sticks and portions continued to press upon available supplies of raw material. In 1963 the production of these items reached a total of 175 million pounds which used something of the order of 400 million pounds of raw fish — mostly cod and related species. Fish sticks and portions are manufactured from blocks of frozen fillets and, in the United States most of these are imported, with Canada supplying about half of this import requirement.

The United States also continued to take almost all of Canadian exports of such valuable products as shell lobster, lobster meat, swordfish and scallops. Exports of these 4 items to the United States in 1963 were valued at \$29 million, about 25 per cent of total exports to that country.

An active demand for salted fish existed during the year and Canadian exporters and fishermen benefitted from this as well as the short supply position which developed in European areas of production. Toward the end of the year Jamaica authorized increases in domestic ceiling prices, and, despite temporary consumer resistance, sales from Canada were maintained at normal levels. Sales increased over the 1962 volume to Portugal and Spain and a substantial quantity of salt bulk was sold to Norway — normally a large exporter of this commodity. The Cuban market remained closed to Canadian salted fish during the year but, by dint of special efforts, over half a million pounds were sold to Brazil which had been virtually closed to Canadian exporters by exchange controls and high internal prices. For the year, exports of all salted fish were valued at more than \$21 million, some \$3.5 million above the value of 1962.

## **BOARD ACTIVITIES**

### **Magdalen Islands Mackerel**

As indicated in the 1962-63 Annual Report, the Board had under investigation representations from Magdalen Islands' producers concerning low prices received for their 1962 mackerel production. Most of the production in question had been marketed in the pickled form. Political uncertainty in West Indian markets and other factors had resulted in a decline in prices to fishermen of 45 per cent. While prices in other areas of production had also declined, in no case had the percentage decline exceeded 25 per cent.

Under Order in Council P.C. 1963-955 of June 25, 1963, the Board was authorized to make deficiency payments on mackerel caught by fishermen of the Magdalen Islands during calendar year 1962. The Order in Council also approved a price of 3.9 cents per pound, round weight, prescribed by the Board for the product for the purpose of paying to producers the difference between the prescribed price and the average price of 3.2 cents per pound, round weight, at which the product had been sold. The program was completed in August 1963 when cheques were issued to 346 fishermen for a total of \$7,999.53.

### **Carry-over stocks pickled mackerel, pickled herring and smoked bloaters**

In addition to the adverse effect on prices to fishermen, referred to above, the unsettled political situation in certain West Indian markets in 1962 resulted in reduced exports and a significant carry-over of pickled fish and smoked bloaters into the 1963 production and marketing year. Requests for assistance were received from the Canadian Atlantic Salt Fish Association. Following investigation and Board consideration, a proposal was approved in June 1963 whereby the Board undertook to share equally with exporters of these products price reductions which might be necessary to move the products to market on the understanding that special efforts would be made to open up new markets for such products. The Board's undertaking was limited to a maximum deficiency payment of \$2.00 per barrel for the pickled fish or 50 cents per box for the smoked bloaters. The Board's undertaking terminated on November 30, 1963.

Under the above arrangement, sales of 2087 barrels of pickled herring and 3418 barrels of pickled mackerel were made. The obligation of the Board arising out of the arrangement was \$1.09 per barrel in the case of pickled herring and \$2.00 per barrel in the case of mackerel. The total obligation of the Board for the two species coming under this arrangement amounted to \$9,110.83 with settlement arranged for early in the new fiscal year.

In the case of smoked bloaters no sales were made prior to November 30. The Board felt, however, that these stocks of standard grade bloaters would continue to act as a depressing factor in the markets and therefore authority was secured to purchase the carry-over stock at 80 cents per barrel. This offer was authorized to stand until June 30, 1964. Up to March 31, 1964 no stocks had been offered to the Board.

The remaining problem in this area was a carry-over of pickled alewives of 1962 and 1963 production. This problem was under investigation at the close of the fiscal year.

### **Disrupted market 1963-64 winter production freshwater fish**

A number of cases of food poisoning in the United States during September and October 1963 traced to smoked fish of Great Lakes origin resulted in a sharply reduced demand for all freshwater species during the late fall and early winter. The Board was asked by the governments of the Prairie provinces to investigate the problem. The Board met February 10 and 11, 1964 but postponed any recommendation pending further investigation. The main problem appeared to be reduced prices to fishermen, reduced exports and prices to exporters for particular species at particular times and an unsold carry-over of some one million pounds of fall caught sauger originating in Manitoba.

### **Fisheries Salt Assistance**

Vote 65 of the Main Estimates of 1963-64 provided \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor General in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. This vote included authority to charge administrative costs of the measure to Vote 60 of the Main Estimates of 1963-64 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms and conditions referred to above were prescribed by Order in Council P.C. 1963-814 dated May 30, 1963 and this Order also designated the products to be included in the assistance program.

During the fiscal year 1963-64, a total of 6238 individual payments were made to fishermen in the amount of \$382,336.10. Payments by provinces were as follows:



<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland .....	4933	\$320,726.40
Nova Scotia .....	646	28,589.83
New Brunswick .....	17	367.94
Prince Edward Island .....	69	2,740.00
Quebec .....	573	29,911.93

Of the above, 377 claims for a total of \$17,822.91 arose from the 1962 production year and 2 claims totalling \$58.25 from 1961 production.

During the year under review \$217,663.43 was paid to fish processing plants on 328 claims. Of these, 278 totalling \$180,460.17 were 1962 production, 3 claims for \$2,381.75 were from 1961 production and 1 claim for \$258.94 was from 1960 production. Total claims and payments for the fiscal year were as follows:

<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland .....	82	\$ 48,589.87
Nova Scotia .....	110	94,218.53
New Brunswick .....	76	43,856.11
Prince Edward Island .....	31	9,292.82
Quebec .....	29	21,706.10

### **Fishermen's Indemnity Plan**

The Chairman and the Executive Director of the Board are responsible for administration at headquarters of the Fishermen's Indemnity Plan. Under this Plan, fishermen owning fishing vessels valued between \$250 and \$12,500 are able to secure protection against marine perils, fire and thieves for a premium of one per cent of the appraised value of the vessel. As at March 31, 1964, a total of 6735 vessels valued at \$23,268,125 were insured under the Plan. The Plan also offers lobster fishermen in the Atlantic provinces low cost insurance against storm and other hazards to their lobster traps. During 1963-64, 378 fishermen availed themselves of this protection.

### **Research**

In co-operation with the Economics Service of the Department of Fisheries, the staff of the Board continued to carry on surveys and other specialized studies of fishermen's costs and returns in the Atlantic provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1964, there were six full time employees on the staff as follows:

1 Chairman	1 Departmental Accountant 3
1 Executive Director	1 Clerk 4
1 Administrative Officer 6	1 Clerk 3

## EXPENDITURES — 1963-64

During the fiscal year 1963-64, the following administrative expenses were incurred:

Salaries and Wages.....	\$53,885.13
Travelling Expenses.....	4,056.98
Freight, Express and Cartage .....	94.18
Postage .....	29.97
Telephones and Telegrams.....	831.99
Publication of Reports and Other Materials.....	181.40
Office Stationery, Supplies and Equipment.....	1,379.90
Expenses of Board members.....	2,407.29
	<hr/>
	\$62,866.84
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

---

## FISHERIES PRICES SUPPORT ACCOUNT

Statement of Operations for the Year Ended March 31, 1964

MAGDALEN ISLAND MACKEREL SUPPORT PROGRAM  
(1962 Production)

Deficiency Payments to Producers.....	\$7,999.53
	<hr/>
NET LOSS ON 1963-64 OPERATIONS.....	\$7,999.53
	<hr/>



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(*Eighteenth*) Annual Report (of the)

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# FISHERIES PRICES SUPPORT BOARD

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*Eighteenth Annual Report of the*

FISHERIES PRICES  
SUPPORT BOARD

1964-65



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Riverport, N.S.

*Executive Director*

H. C. L. RANSOM  
Ottawa

OTTAWA, June 1965

HONOURABLE HÉDARD J. ROBICHAUD,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the Annual Report of  
the Fisheries Prices Support Board for the fiscal year 1964-65.

I have the honour to be

Sir,

Your obedient servant

IAN S. McARTHUR

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# **FISHERIES PRICES SUPPORT BOARD**

## **ANNUAL REPORT 1964-65**

### **FISHERIES PRICES SUPPORT ACT**

Under the Fisheries Prices Support Act, the Board is responsible for investigating and, where appropriate, recommending action under the Act to support prices of fishery products where declines have been experienced. The basic principle of the legislation is to protect fishermen against sharp declines in prices and consequent loss of income due to causes beyond the control of the fishermen or the industry. Under conditions of reduced prices and income to fishermen the Board, subject to approval of the Governor in Council, is empowered to purchase fishery products at prescribed prices or to pay deficiency payments to producers of fishery products equal to the difference between a prescribed price and the average price at which such products were sold.

### **THE CANADIAN FISHERIES — 1964**

Gains in both production and prices brought the value of Canadian fisheries to a new high level in 1964. This was particularly true of the sea fisheries. While the total catch of all fish and of individual species tend to fluctuate considerably from year to year, the gradual effect of modernization of fishing craft and greater concentration on the offshore fishery are being reflected more and more in increased output. This trend can be expected to increase on both coasts.

For the Atlantic Coast, production in 1964 reached 1,515 million pounds with a value of \$82.5 million. This represented a gain in production of 90 million pounds and \$8.9 million in value. Significant catch increases were shown for haddock, flounders and sole, herring, mackerel and squid. The same species together with swordfish and scallops accounted for most of the increase in landed value. Landed values increased in all provinces of the Atlantic region with the greatest gain, from \$35.6 million to \$40.9 million occurring in Nova Scotia. Increased landings were reported for almost all major species in that province. Declines in catches of swordfish and lobsters were more than offset by sharply increased prices for these species. In Newfoundland, the cod catch, particularly off the Labrador, was lower but this was offset to a large extent by increased catches of flounders and sole and of squid

with generally higher prices recorded for all species. The increase in New Brunswick was largely accounted for by herring, mackerel, flounders and sole. Quantitatively the largest increase to Prince Edward Island fishermen was from the mackerel fishery but more important was an increase in the valuable lobster catch. This was the only province showing an increase in the lobster catch over 1963. Increases in Quebec were confined to redfish, mackerel, salmon and smelt but generally higher prices resulted in some increase in total landed values.

Total landings for British Columbia were lower in 1964 mainly due to a drop of almost 70 million pounds in the herring catch. The salmon fishery yielded almost the same poundage as in 1963 but higher prices resulted in a gain of over \$6 million or 26 per cent in the landed value of the salmon group. Landings of gray cod, while still relatively small, at 11.2 million pounds, were almost 70 per cent above the 1963 level. Landings of lingcod, sablefish, flounders and sole also increased indicating a trend towards greater interest in groundfish species in that area.

Incomplete statistics of the inland fisheries indicate somewhat lower catches in 1964 but it is probable that higher prices resulted in little change in the landed value figures for these species.

### **THE MARKET FOR FISHERY PRODUCTS — 1964**

The value of fishery products exported from this country has been rising steadily for many years. In 1964 it reached \$202.6 million, an increase of 17 per cent over the record level of the previous year. In general this rise in value reflects higher unit prices, and very little increase in quantities. Growing populations in North America, Europe and the Caribbean countries are experiencing rising living standards. Canadian fishery products are exported, almost in total, to these areas. These products are derived, however, from fish and shell-fish populations which are not expansible at will, and some not at all. The result is higher prices all along the line from the fishing boats to final consumer.

Reviews of this kind generally concentrate upon the United States because of its dominant role as an outlet for the products of the Canadian fishing industry. This position was not challenged in 1964 when about 65 per cent of total exports moved to that market. The total value — \$130.8 million — was 13 per cent above that of the previous year. Despite this increase the United States did not maintain its share of Canadian exports — normally, about 70 per cent. This change in 1964 is accounted

for not by any weakening of demands in the United States, but by a sharp upsurge in the value of exports to Europe, and mainly to the United Kingdom. Exports to this destination rose from \$17.1 million in 1963 to \$26.9 in the following year. This increase was accounted for largely by the sales of canned B.C. salmon — sockeye, coho and pinks — and by renewed United Kingdom purchases of cod blocks and slabs after a year or two of small sales.

The United States continued to dominate the markets for lobsters, live or boiled, swordfish and scallops. Small quantities of lobsters and scallops were exported to European countries but they were not significant in terms of total exports of this species. The stability in market supplies which results when a species is under conservation management is well illustrated in the export of shell lobsters to the United States from this country. For the last four years annual exports to this market were — 19.7, 20.0, 19.8 and 19.7 million pounds. These figures vary by only 1.5 per cent from the high to the low. During these four years the average annual export value per pound rose from 60 cents in 1961 to 76 cents in 1964, which is an increase of 26 per cent.

Salted products — principally codfish — remained in good demand during 1964 and firm prices were the rule in international trading. Quantities available for export from the principal exporting countries — Canada, Iceland, and Norway — have been declining slowly for some years due to a variety of factors. One of the most consistent of these is the general diversion of raw fish from salting to chilled and frozen forms. Canada continued to sell heavy salted codfish to Norway which has always been an exporting country. In 1964 Canadian sales totalled 6.2 million pounds of heavy salted codfish worth \$700 thousand. The traditional Mediterranean markets showed no significant change in requirements in 1964 and exports remained at the low level which has been recorded for several years.

Markets for cured fish, herring, mackerel and alewives, remained about the same in terms of quantities imported from this country, but values were up slightly in 1964. There was no evidence during the year of any substantial change in demand and prices for these products were probably held up by the strength of the market for salted codfish. The production of cured fish in this country is not closely related to demand — the main consideration being the abundance of fish during the period of inshore, small enterprise fishing. The substantial outlet for these products is in the United States which takes about 60 per cent of these products by value. This trade is supported by ethnic groups in the larger American cities, like New York,

Boston and Chicago, and is relatively dependable if not capable of any significant expansion.

## **BOARD ACTIVITIES**

The year 1964 was one of continued strong demand and generally higher prices for fishery products at both fisherman and wholesale market levels. During the year the Board was confronted with no new requests for support although certain problems which had arisen in 1962 and 1963 required final disposition. During the year, bloaters were purchased and deficiency payments were made on pickled herring and pickled mackerel, all of which had encountered marketing difficulties in previous years. Another problem carried over from 1963 was the disposition of excessive stocks of freshwater sauger where the market has been disrupted by several cases of botulism in the United States attributed to consumption of smoked fish of Great Lakes origin. In May 1964 the Board was authorized to purchase up to 500,000 pounds of frozen sauger in store Winnipeg. Some recovery of the market took place and the quantity offered to the Board was only 93,745 pounds.

Purchases made by the Board were disposed of to producers of meal for animal feeding.

### **Fisheries Salt Assistance**

Vote 15 of the Main Estimates of 1964-65 contained an amount of \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. This vote included authority to charge administrative costs of the measure to Vote 5 of the Main Estimates of 1964-65 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms and conditions referred to above are contained in Order in Council P.C. 1964-444 dated March 26, 1964, and this Order also designated the products to be included in the assistance program.

During the fiscal year 1964-65, a total of 6,403 individual payments were made to fishermen in the amount of \$326,854.96. Payments by provinces were as follows:



<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland .....	5087	\$271,400.76
Nova Scotia .....	742	35,148.75
New Brunswick .....	31	914.33
Prince Edward Island .....	22	700.83
Quebec .....	521	18,690.29

Of the above, 417 claims for a total of \$19,388.58 arose from the 1963 production year, 7 claims totalling \$608.25 from 1962 production and 1 claim for \$3.15 from 1961 production.

During the year under review \$273,144.94 was paid to fish processing plants on 413 claims. Of these, 307 totalling \$206,675.93 were 1963 production, 4 claims for \$1,285.14 were from 1962 production. Total claims and payments for the fiscal year were as follows :

<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland .....	64	\$ 45,523.63
Nova Scotia .....	180	158,316.82
New Brunswick .....	113	45,653.96
Prince Edward Island .....	22	9,111.31
Quebec .....	34	14,539.22

### **Fishermen's Indemnity Plan**

The Chairman and the Executive Director of the Board are responsible for administration at headquarters of the Fishermen's Indemnity Plan. Under this Plan, fishermen owning fishing vessels valued between \$250 and \$15,000 are able to secure protection against marine perils, fire and thieves for a premium of one per cent of the appraised value of the vessel. As at March 31, 1965, a total of 6961 vessels valued at \$25,911,760 were insured under the Plan. The Plan also offers lobster fishermen in the Atlantic provinces low cost insurance against storm and other hazards to their lobster traps.

## Research

The Board continued to co-operate with the Economics Service of the Department in the collection and analysis of costs of fishing operations in the Atlantic coast provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

## STAFF

As at March 31, 1965, there were six full time employees on the staff as follows:

1 Chairman	1 Departmental Accountant 3
1 Executive Director	1 Clerk 4
1 Administrative Officer 6	1 Clerk 3

## EXPENDITURES — 1964-65

During the fiscal year 1964-65, the following administrative expenses were incurred:

Salaries and Wages .....	\$57,322.50
Travelling Expenses .....	3,267.86
Freight, Express and Cartage .....	7.98
Postage .....	100.00
Telephones and Telegrams .....	653.96
Publication of Reports and Other Materials .....	442.67
Office Stationery, Supplies and Equipment .....	1,912.16
Expenses of Board members .....	1,706.90
	<u>\$65,414.03</u>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

## FISHERIES PRICES SUPPORT ACCOUNT

Statement of Support Operations for the Year Ended March 31, 1965

### ATLANTIC COAST PICKLED SPLIT HERRING (1962 Production)

Deficiency Payments to Producers .....	\$ 2,274.83
--	-------------

### ATLANTIC COAST PICKLED SPLIT MACKEREL (1962 Production)

Deficiency Payments to Producers .....	6,836.00
--	----------

### ATLANTIC COAST BLOATERS (1962 Production)

Receipts from sales .....	\$ 2,428.65	
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Deduct:

Purchases: 26,985 boxes of 18 lbs. @ 80¢/box	\$21,588.00
--	-------------

Storage charges .....	1,408.86	
-----------------------	----------	--

Freight and trucking .....	2,857.10	
----------------------------	----------	--

Handling charges .....	5,967.00	31,820.96
------------------------	----------	-----------

Loss on sales .....	29,392.31
---------------------	-----------

### PRAIRIE PROVINCES FROZEN HEADLESS DRESSED SAUGER (1963 Fall Production)

Receipts from sales .....	\$ 703.09
---------------------------	-----------

Deduct:

Purchases: 93,745 lbs. @ 17½¢ .....	16,405.38
-------------------------------------	-----------

Loss on sales .....	15,702.29
---------------------	-----------

NET LOSS ON 1964-65 OPERATIONS .....	\$54,205.43
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*(Nineteenth Annual Report of the)*

*Canada* **FISHERIES PRICES  
SUPPORT BOARD**



1965-66





*Nineteenth Annual Report of the*

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SUPPORT BOARD**

*1965 - 66*

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W. R. RITCEY  
Riverport, N.S.

### *Executive Director*

H. C. L. RANSOM  
*Ottawa*

HONOURABLE HEDARD J. ROBICHAUD,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the Annual Report of  
the Fisheries Prices Support Board for the fiscal year 1965-66.

I have the honour to be

Sir,

Your obedient servant

IAN S. MCARTHUR  
*Chairman*

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# **FISHERIES PRICES SUPPORT BOARD**

## **ANNUAL REPORT 1965 - 66**

### **FISHERIES PRICES SUPPORT ACT**

Under the Fisheries Prices Support Act, the Board is responsible for investigating and, where appropriate, recommending action under the Act to support prices of fishery products where declines have been experienced. The basic principle of the legislation is to protect fishermen against sharp declines in prices and consequent loss of income due to causes beyond the control of the fishermen. The Board, subject to approval of the Governor in Council, is empowered to purchase fishery products at prescribed prices or to pay deficiency payments to producers of fishery products equal to the difference between a prescribed price and the average price at which such products were sold.

### **THE CANADIAN FISHERIES — 1965**

In general the year 1965 was a good one for commercial fishermen. Landings reached 2.4 billion pounds (1 million tons) and the value to fishermen \$153 million. In terms of both quantity and value, the increase over 1964 was of the order of three per cent. The value, f.o.b. plant, of fishery products will probably exceed \$300 million for the first time. The overall increase, however, was not enjoyed by all segments of the fishing industry. In British Columbia, landings were lower than in 1964 but the results on the Atlantic Coast were very good. No significant changes were noted on the freshwater fisheries.

The salmon fishery in British Columbia yielded only 86 million pounds, one of the lowest catches on record and the canned salmon pack amounted to 913,000 cases. The one bright spot in the salmon fishery was the troll fishery for coho. Halibut landings were slightly lower than in 1964, but prices to fishermen averaged a record of 34 cents a pound and the landed value of \$12.6 million was the highest ever reported. Herring catches for the calendar year were down by 12 per cent over 1964 but increased returns to fishermen resulted in the landed value being just slightly higher than in 1964. A strike of herring fishermen for a month and a half at the start of the winter season was a contributing factor in the lower production. Fishing for groundfish (exclusive of halibut) continued to expand in 1965. Landings totalled 39 million pounds, an increase of 30 per cent over the previous year.

On the Atlantic Coast, overall landings reached 1.65 billion pounds, valued to fishermen at \$94 million. This represented an increase in production of 150 million pounds and \$10 million in value. Redfish, flounders and herring were the species



showing a significant increase in volume. These species, together with scallops and lobsters, accounted for most of the increase in value.

Landings and landed values increased in each province of the Atlantic region, although certain groups of fishermen, notably the inshore fishermen of some areas of Newfoundland and lobster fishermen along the Northumberland Strait suffered declines in their catch and income. In Newfoundland, inshore cod and lobster landings were down appreciably but this was more than offset by higher catches of flounders, redfish, turbot and herring. In Nova Scotia, landings were up by 14 per cent due mainly to higher landings of cod, redfish, herring and scallops, and landed value by 18 per cent. Most of the increase in catch in New Brunswick was due to higher landings of herring. Prince Edward Island and Quebec were the only two provinces showing an increase in the lobster catch over 1964. In those two provinces, total landings increased by 15 and 8 per cent and value by 30 per cent, respectively.

## THE MARKET FOR FISHERY PRODUCTS — 1965

For several years the output of Canada's primary fishing industry has been remarkably stable and has not moved, in any recent year, very far from one million tons. Within each year a decline in the landings of one species, or a group of species, is generally offset by an increase in the catch of others, leaving the total output unaffected. In addition, of course, many important species are subject to management control and variations in quantities caught each year are minimized by such control.

The requirements of the markets, however, have been growing slowly but steadily especially in North America. About 10 million people have been added to the population on this continent in the last five years. During this period per capita consumption has been about 12 lb. of fishery products per annum, so that the addition of 10 million people to the population created a demand for about 120 million lb. of product, or 250 million lb. of raw material in the form of fish and shellfish.

This interaction of a relatively inexpansive supply and expanding demand has resulted in a steadily rising price level for fishery products in recent years. This trend has been referred to in earlier editions of this Report and it continued into 1965 when the value of exports of all fishery products reached \$213 million. In 1964 the value of exports was \$202 million and was \$143 million in 1961. In five years the value of these exports has increased by almost 50 per cent.

The United States continued to be the most important market and sales in 1965 accounted for about 70 per cent of the value of total exports of fishery products. This value is based upon a large volume of exports having a substantial proportion of high price products. Virtually all of Canada's exports of fresh and frozen prod-

ucts from the Atlantic and inland provinces and a substantial share of those from British Columbia are sold in the United States. Included in the United States imports are lobsters in shell and lobster meat, scallops, swordfish, whitefish, lake trout and salmon—all of which command high prices in the export market.

Exports to Europe have been about one-fifth to one-third of the value of exports to the United States in recent years. The gradual decline in the volume of salted fish exported to the traditional markets of Spain, Portugal and Italy has resulted in products of the British Columbia industry dominating the market. In 1965 exports of Canadian fishery products to Europe were valued at \$39.4 million of which \$22.8 million came from British Columbia. The trend in this trade in recent years has been set by sales of canned salmon which has accounted for 50 to 60 per cent of all exports to Europe. The peak in this trade was reached in 1964 when the value was \$46 million and canned salmon made up 55 per cent of this figure. In 1965 canned salmon production was at a low level and supplies were scarce. Exports of this commodity to the United Kingdom were valued at \$10.8 million and total exports had a value of \$18.6 million.

The Caribbean area is a market for low price species prepared in inexpensive forms to meet the requirements of populations having relatively low purchasing power. Traditional products are salted codfish, pickled mackerel and alewives and bloaters. Total exports to this area in 1965 had a value of \$17.4 million and showed little change in total value and product components from earlier years although interruptions to commercial relationships occasioned by political disturbances occurred in some markets during the year.

## **PRICES SUPPORT OPERATIONS**

In April 1965 political disturbances resulted in suspension of exports to the important salt fish market of the Dominican Republic. Loss of this market during the months of April, May and June was felt particularly severely by exporters of salted hake, pollock and cusk because such products normally find their market almost exclusively in the Dominican Republic. Markets for salted cod were affected to a lesser extent. After investigation by the Board the Government approved a recommendation to purchase up to \$300,000 worth of salted hake, pollock and cusk from exporters in the provinces of Nova Scotia, New Brunswick and Prince Edward Island, up to \$190,000 worth of salted cod from Newfoundland and up to \$10,000 worth of salted cod from Quebec, the amounts being based on the stock position in the different areas. The purchasing operation was carried out by the Canadian Commercial Corporation on behalf of the Board.

The Department of External Affairs, through its External Aid Office, donated the salted pollock, hake and cusk to the people of the Dominican Republic. The Board paid the ocean freight to the Dominican Republic but recovered the entire

cost of this fish from the Department of External Affairs. The net cost to the Board of this part of the program was \$32,342.88. The salted cod was offered to the World Food Program as part of Canada's contribution to that agency. After reconditioning of the fish shipments valued at \$101,024.00 were made to Kenya and British Guiana under that program and the Board recovered this amount from the Department of External Affairs. Unfortunately outlets for the balance of the salted cod failed to develop in time to avoid serious deterioration of the product which had to be disposed of without financial return. The net cost of this part of the operation was therefore \$111,375.94.

During the fiscal year final accounting of a deficiency program on the 1962-63 production of pickled alewives in the Maritime provinces resulted in payments totalling \$3,006.51.

**BOARD ACTIVITIES**

**Fisheries Salt Assistance**

Vote 15 of the Main Estimates of 1965-66 contained an amount of \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. This vote included authority to charge administrative costs of the measure to Vote 5 of the Main Estimates of 1965-66 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms and conditions referred to above are contained in Order in Council P.C. 1965-543 dated March 25, 1965, and this Order also designated the products to be included in the assistance program.

During the fiscal year 1965-66 a total of 5451 individual payments were made to fishermen in the amount of \$299,854.91. Payments by provinces were as follows:

<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland.....	4298	\$246,337.98
Nova Scotia.....	672	33,315.91
New Brunswick.....	30	765.90
Prince Edward Island.....	96	4,175.13
Quebec.....	355	15,259.99

Of the above, 283 claims for a total of \$12,371.16 arose from the 1964 production year, 3 claims totalling \$91.52 were from the 1963 production.

During the year under review \$265,256.36 was paid to fish processing plants on 401 claims. Of these 246 totalling \$178,144.49 were 1964 production, 11 claims totalling \$3,065.61 were 1963 production, 2 claims totalling \$220.96 were 1962

production, 1 claim for \$183.22 for 1961 production and 1 claim in the amount of \$130.97 for 1960 production. Total claims and payments for the fiscal year were as follows:

<u>Province</u>	<u>Number</u>	<u>Amount</u>
Newfoundland.....	86	\$ 58,468.35
Nova Scotia.....	152	128,994.66
New Brunswick.....	109	46,879.44
Prince Edward Island.....	26	17,140.25
Quebec.....	28	13,773.66

**Fishermen’s Indemnity Plan**

The Executive Director of the Board is responsible for the day to day administration at headquarters of the Fishermen’s Indemnity Plan. Under this Plan fishermen owning fishing vessels valued between \$250 and \$15,000 are able to secure protection against marine perils, fire and thieves for a premium of one per cent of the appraised value of the vessel. As at March 31, 1966, a total of 8335 vessels valued at \$30,462,240 were insured under the Plan. The Plan also offers lobster fishermen in the Atlantic provinces low cost insurance against storm and other hazards to their lobster traps. On February 1, 1966, the Plan was extended to include fishing gear and shore installations.

**Research**

The Board continued to co-operate with the Economics Service of the Department in the collection and analysis of costs of fishing operations in the Atlantic coast provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

**STAFF**

The Chairman of the Board is a full time employee of the Department of Fisheries.

As at March 31, 1966, there were five full time employees on the staff of the Board as follows:

1 Executive Director	1 Administrative Officer 6
1 Departmental Accountant	2 Clerks 3

## EXPENDITURES — 1965-66

During the fiscal year 1965-66, the following administrative expenses were incurred:

Salaries and Wages.....	\$58,144.06
Travelling Expenses.....	4,381.97
Freight, Express and Cartage.....	15.12
Postage.....	100.00
Telephones and Telegrams .....	1,219.18
Publication of Reports and Other Materials .....	241.25
Office Stationery, Supplies and Equipment.....	992.06
Expenses of Board members.....	1,172.48
	<hr/>
	\$66,266.12
	<hr/>

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.



## FISHERIES PRICES SUPPORT ACCOUNT

Statement of Support Operations for the Year Ended March 31, 1966

### NOVA SCOTIA DRIED HAKE, POLLOCK AND CUSK SUPPORT PROGRAMME (1964 Production)

Receipts from sales.....	\$298,251.75	
Deduct:		
Purchases.....	\$298,251.75	
Add: Ocean freight.....	30,698.14	
Surcharge to Canadian Commercial Corporation— $\frac{1}{2}$ of 1% of cost of purchases and ocean freight.....	1,644.74	330,594.63
Loss on sales.....		\$ 32,342.88

### NEWFOUNDLAND AND QUEBEC DRIED COD SUPPORT PROGRAMME (1964 Production)

Receipts from sales.....	\$101,024.00	
Deduct:		
Purchases.....	\$188,387.64	
Add: Reconditioning of purchases .	17,167.50	
Wharfage.....	175.56	
Trucking.....	427.15	
Storage and handling.....	5,300.15	
Surcharge to Canadian Commercial Corporation— $\frac{1}{2}$ of 1% of cost of purchases.....	941.94	212,399.94
Loss on sales.....		111,375.94

### ATLANTIC COAST PICKLED ALEWIVES (1962 and 1963 Productions)

Deficiency Payments to Producers.....	3,006.51
Net Loss on 1965-66 Operations.....	\$146,725.33

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Ottawa, 1966

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*Twentieth Annual Report of the*

**FISHERIES PRICES  
SUPPORT BOARD**



*1966-67*





*Twentieth Annual Report of the*

FISHERIES PRICES  
SUPPORT BOARD

*1966-67*

## OFFICERS AND MEMBERS OF THE BOARD

### *Chairman*

J. N. LEWIS  
Ottawa

### *Vice-Chairman*

K. F. HARDING,  
Prince Rupert, B.C.

### *Members*

BERNARD BLAIS,  
Quebec, P.Q.

RICHARD I. NELSON,  
Vancouver, B.C.

H. I. MIFFLIN,  
Catalina, Nfld.

W. R. RITCEY,  
Riverport, N.S.

*Executive Director,*  
H. C. L. RANSOM,  
Ottawa

June, 1967

HONOURABLE HÉDARD J. ROBICHAUD,  
Minister of Fisheries,  
Ottawa.

SIR,

I have the honour to submit herewith the Annual Report of  
the Fisheries Prices Support Board for the fiscal year 1966-67.

I have the honour to be

Sir,

Your obedient servant

J. N. LEWIS,  
*Chairman*



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# **FISHERIES PRICES SUPPORT BOARD**

## **ANNUAL REPORT 1966-67**

### **FISHERIES PRICES SUPPORT ACT**

Under the Fisheries Prices Support Act, the Board is responsible for investigating and, where appropriate, recommending action under the Act to support prices of fishery products where declines have been experienced. The basic principle of the legislation is to protect fishermen against sharp declines in prices and consequent loss of income due to causes beyond the control of the fishermen. The Board, subject to approval of the Governor in Council, is empowered to purchase fishery products at prescribed prices or to pay deficiency payments to producers of fishery products equal to the difference between a prescribed price and the average price at which such products were sold.

### **THE CANADIAN FISHERIES—1966**

During 1966 landings in the Canadian commercial fisheries achieved new records in both quantity and value. The total catch was 2.6 billion pounds which had a value to fishermen of \$177 million. This represents increases over 1965 of 8 per cent in quantity and 10 per cent in value. Estimated conservatively, the f.o.b. plant value of fishery products will exceed \$340 million. While only minor changes occurred in the freshwater fisheries, both the Atlantic and Pacific regions produced record results.

In British Columbia salmon landings at 170 million pounds were higher than expected and fishermen were paid a record \$38.6 million for their catch. Both net and troll fishermen recorded high returns and the catch of coho, 38.7 million pounds valued at \$11.9 million, was the highest ever reported. The canned salmon pack reached 1,819,000 cases the largest since 1958. Halibut landings were 3 per cent lower than in 1965, but the average price paid was a record—35.8 cents per pound, and brought fishermen a gross return of \$11.5 million. On the other hand herring landings fell sharply from 222 thousand tons in 1965 to 153.8 thousand tons in 1966. As in 1965 a strike by fishermen, this time late in the year, was a major contributing factor to the lower catch. Landings of groundfish, other than halibut, rose to record levels in 1966 and reached 49.3 million pounds, an increase of 25 per cent over 1965. The value to fishermen of groundfish landings was \$3.4 million.

In the Atlantic region, landings were 1.9 billion pounds having a value to fishermen of \$98 million. This represented an increase of 230 million pounds and \$400,000 in value. Each of the provinces except Quebec recorded increased landings and landed values. The catch of flounders, haddock and redfish was higher than in 1965 but the bulk of the increase was accounted for by herring which rose from 405 million pounds in 1965 to 550 million pounds in 1966. The higher landed value of these species however was almost totally offset by lower quantities and reduced prices of lobsters and scallops. Inshore fishermen in some areas, notably lobster fishermen in the Northumberland Strait and cod fishermen on the Quebec north shore experienced smaller catches in 1966.

In Quebec lower cod and herring landings were just about offset by higher redfish and flounder landings and there was a drop of less than one per cent in total volume. On the other hand the landed value of all species in Quebec was slightly higher than in 1965.

In Newfoundland landings surpassed all post-Confederation records and reached 665.1 million pounds valued to fishermen at \$26.3 million. A relatively poor cod trap fishery was balanced by higher landings from the growing deep sea fleet while landings of most other groundfish species except haddock were substantially higher than in 1965. Herring landings more than doubled in volume and value reaching 63.9 million pounds worth \$733,000.

The catch by fishermen in Nova Scotia, boosted by large gains in herring landings, was 695 million pounds, over 100 million pounds higher than in 1965. On the other hand due to lower shellfish landings and a decrease in prices, the value to fishermen was \$45.4 million, \$3 million lower than in 1965. Similarly, landings in New Brunswick increased by 45 million pounds to 335 million pounds due to large increases in herring landings. On the other hand while the value of shellfish landings declined, the total value to fishermen of all species rose by \$447,000 to \$10.9 million. In Prince Edward Island increases in groundfish and mackerel landings exceeded declines in shellfish landings and the total catch was 58 million pounds, 12 million pounds higher than in 1965. On the other hand the value to fishermen declined by \$820,000 to \$6 million.

## **THE MARKET FOR FISHERY PRODUCTS—1966**

The value of output of the Canadian fishing industry has been rising steadily during the last few years, particularly since 1960. In that year, the value of processed fish was about \$200 million and it reached an estimated \$340 million in 1966. This rise reflects in part higher product prices and in part an increased output of some major products notably those from the groundfish and scallop fisheries.

The Canadian fishing industry is an export-oriented one and the value of exports has led the increase in the value of production. In 1960, Canadian exports to all countries were valued at \$138 million and reached \$219 million in 1966. This represents an increase of 60 per cent in the value of exports while the increase in the value of products was 70 per cent.

The United States remains the main outlet for the products of the Canadian fishing industry and in 1966 about 69 per cent of total exports moved to that market, a proportion only slightly lower than in 1965. However, the total value—\$150.6 million—is slightly above that of the previous year. Canadian sales to the United Kingdom—at \$21.4 million—were at the same level as in 1965: more frozen salmon and cod blocks went to that market but less canned salmon. An increase of nearly 60 per cent was registered in the Canadian exports to France which amounted to \$6.2 million. The main products responsible for the increase were frozen and canned salmon and frozen scallops. Jamaica and Puerto Rico are the other two important markets for Canadian fishery products and in both cases Canadian sales last year were higher than in 1965 by 27 and 36 per cent respectively. The four countries just mentioned took about 86 per cent of the total Canadian exports and the remaining 14 per cent—approximately \$30 million—was sold as in previous years to a large number of countries in all parts of the world.

Nearly 70 per cent of total exports by value are in the form of fresh and frozen fish and shellfish, of which 88 per cent goes to the United States and the rest to many Western European countries. There was a serious price decline in the American market for some products in the fall of 1966, particularly in the Atlantic groundfish group. This stemmed from larger than usual supplies of groundfish fillets and blocks available in the United States coupled with what may be a slackening in the rate of growth of consumption of fish sticks and portions. The resulting high level of inventories was accompanied by the decline in prices referred to.

Most of the freshwater fish (dressed and filleted), a good proportion of the Pacific halibut and salmon and all the swordfish is also sold to the United States. The market for all those products, with the exception of B.C. halibut, was firm during the year and the prices generally higher than in 1965. Small quantities of lobster in shell continued to be sold in France, the United Kingdom and Belgium but most of it is exported to the United States. As a result of the small supply available this year, the total quantity exported was lower than in 1965 by some 12 per cent, although the average price remained the same. Supplies of scallops were abundant in the U.S. market during 1966, and cold storage holdings had risen late in 1965. These large inventories kept prices depressed most of the year. By the end of 1966, however, prices had recovered but not enough to offset the low prices of the first half of the year. Exports to the United States increased by some



3 million pounds but the average annual price fell from 68 cents a pound in 1965 to 50 cents in 1966. The two main European markets for frozen fish are the United Kingdom and France and exports of Pacific halibut and salmon (coho) to those markets increased both in terms of quantity and value during the year.

The downward trend in the Canadian production of salted fish continued in 1966. The situation has been similar in the other two main exporting countries—Norway and Iceland—although Norway registered an increase in production in 1966. The demand for salted fish was good during the year and prices firm. Canadian exports totalled 71 million pounds compared with 75 million pounds in 1965 and unit prices averaged 26 cents and 24½ cents a pound in the corresponding years. Sales to Canada's main market—the Caribbean area—were higher than in 1965 but those to the traditional Mediterranean markets dropped drastically from the already low level recorded in recent years.

The United Kingdom continued to dominate the markets for canned salmon, particularly sockeye and coho, although sales to that market in 1966 were below those of 1965. Exports of canned sardines increased by some 10 per cent in quantity and about 16 per cent in value. Those two products—canned salmon and sardines—are shipped to a large number of countries. In fact, Canadian canned salmon in 1966 was sold to 59 countries while canned sardines were exported to 39 countries.

## **BOARD OPERATIONS**

The Fisheries Prices Support Act authorizes the Board to protect fishermen against serious declines in the level of primary prices and consequent restrictions of incomes from their commercial fishing operations. The Board keeps dockside prices under review and carries out investigations of the causes and significance of declines in prices that come to its attention. Under appropriate conditions it recommends action within the authority contained in the Act.

Beginning in 1961 the dockside price of most commercial species moved steadily upward. This movement was based upon rising prices for the products of the major fisheries in canned, salted, frozen and fresh forms—principally in North America. For the last two forms this trend was reversed in the late fall of 1966. The break was led by a sharp decline in the United States in the price of frozen blocks and consumer packs of groundfish fillets, which are the mainstay of the Atlantic groundfish industry. The drop in the price of blocks amounted, by April of 1967, to about 25 per cent of the mid-1966 price, but began to recover in subsequent months. The Board kept this chain of events under close review but, for several reasons, was unable to recommend price support action.

During the spring of 1966 the Board was asked to carry out an investigation of the seasonal decline in the price of Lake Erie perch. This species makes an important contribution to the income of fishermen on this lake and on Lake Ontario. In about one year out of every two there is a very large catch of perch

in April and May which has normally been accompanied by a drastic decline in boat prices. In recent years fishermen received an average of 10 to 12 cents per pound at the boat for summer and fall caught perch but only 3 to 5 cents during heavy spring production. This drop in prices is due to the inability of the trade to fillet and freeze the spring catch and to pay the cost of storage for the 6 to 8 months that is required for the market to consume the supply.

After an investigation of this fishery the Board was authorized to stabilize this seasonal price to fishermen at 10 cents per pound for number one round yellow perch. This price is about 80 per cent of the average of the three years preceding 1966. The Board made this price effective by buying frozen round perch from Canadian processors at 10 cents per pound plus  $3\frac{1}{2}$  cents per pound for collection, freezing and storing and 40 cents a pound for fillets. The fillet price was based upon 10 cents a pound to the fishermen plus 20 cents for collection, filleting and freezing.

The Board purchased 424,755 pounds of fillets and 101,104 pounds of round perch, costing together \$183,551.04, from the summer and fall fishery of 1966. These quantities had been resold to the Canadian processing trade by April 1, 1967 and the Board recovered all the money expended in purchases plus all storage costs which it had paid. From the spring fishery it purchased 2,364,409 pounds of round perch and 562,600 pounds of fillets costing together \$544,235.23. It began to resell these purchases in the first week of June but it is not expected that the inventory will be completely liquidated until the spring of 1968 if the normal marketing pattern takes place.

In 1966 the government authorized the Fisheries Prices Support Board to undertake purchases of fishery products to meet requirements of the World Food Program. This international agency, with headquarters in Rome, is supported by the governments of 65 nations and has been assigned responsibilities to meet food needs resulting from emergencies, and those associated with special projects in under-developed countries. Canada's participation is financed with money voted by Parliament for External Aid. In 1966 the World Food Program requisitioned 150 metric tons of canned fish. Based on this requisition the Board purchased 22,667 cases of canned mackerel from packers along the Northumberland Strait area of New Brunswick and Prince Edward Island to meet this request. This is an area in which commercial fishing depends heavily upon the lobster resource, and where the catches of this species were sharply reduced in 1964 and 1965. Of the 22,667 cases purchased by the Board, the External Aid Office of the Department of External Affairs have taken delivery of 3,630 cases. Delivery of a further quantity of 8,800 cases has been delayed temporarily due to a strike involving National Harbours Board Storage operations at Halifax. The Board is awaiting delivery instructions in connection with the balance of 10,237 cases.

## BOARD ACTIVITIES

### Fisheries Salt Assistance

Vote 15 of the Main Estimates of 1966-67 contained an amount of \$600,000 for payment of assistance, subject to terms and conditions prescribed by the Governor in Council, to producers of salted fish on products designated by the Governor in Council in the amount of 50 per cent of the laid down cost of salt purchased for their production. This vote included authority to charge administrative costs of the measure to Vote 5 of the Main Estimates of 1966-67 which provided for the administrative expenses of the Fisheries Prices Support Act. The terms and conditions referred to above are contained in Order in Council P.C. 1965-543 dated March 25, 1965, and this Order also designated the products to be included in the assistance program.

During the fiscal year 1966-67 a total of 4758 individual payments were made to fishermen in the amount of \$284,223.84. Payments by provinces were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland .....	3,793	\$244,946.26
Nova Scotia .....	613	27,733.50
New Brunswick .....	15	316.93
Prince Edward Island .....	17	785.31
Quebec .....	320	10,441.84

Of the above, 101 claims for a total of \$2833.10 arose from the 1965 production year, 7 claims totalling \$57.49 were from the 1964 production and 1 claim for \$12.20 from the 1962 production year.

During the year under review \$207,622.01 was paid to fish processing plants on 321 claims. Of these 185 totalling \$111,613.41 were 1965 production, 11 claims totalling \$3,793.07 were 1964 production. Total claims and payments for the fiscal year were as follows:

<i>Province</i>	<i>Number</i>	<i>Amount</i>
Newfoundland .....	65	\$55,468.39
Nova Scotia .....	106	89,559.97
New Brunswick .....	96	30,734.07
Prince Edward Island .....	15	5,338.97
Quebec .....	39	26,520.61

### Fishermen's Indemnity Plan

The Executive Director of the Board is responsible for the day to day administration at headquarters of the Fishermen's Indemnity Plan. Under this Plan fishermen owning fishing vessels valued between \$250 and \$15,000 are able



to secure protection against marine perils, fire and thieves for a premium of one per cent of the appraised value of the vessel. As at March 31, 1967, a total of 8163 vessels valued at \$32,493,180 was insured under the Plan. The Plan also offers lobster fishermen in the Atlantic Provinces low cost insurance against storm and other hazards to their lobster traps. On February 1, 1966, the Plan was extended to include fishing gear and shore installations. At the end of the fiscal year under review, there were 275 policies in effect for a total cover of \$544,555. Fixed fishing gear accounted for about 85 per cent of the total.

**Research**

The Board continued to co-operate with the Economic Services of the Department in the collection and analysis of costs of fishing operations in the Atlantic Coast Provinces. In addition, the staff, working in co-operation with the Department of Trade and Commerce, maintained a continuous review of the markets for various fishery products.

**STAFF**

The Chairman of the Board is a full time employee of the Department of Fisheries.

As at March 31, 1967, there were five full time employees on the staff of the Board as follows:

1 Executive Director	1 Administrative Officer
1 Accountant	2 Clerks

**EXPENDITURES—1966-67**

During the fiscal year 1966-67, the following administrative expenses were incurred:

Salaries and Wages .....	\$46,404.51
Travelling Expenses .....	3,524.69
Freight, Express and Cartage .....	58.95
Postage .....	100.00
Telephones and Telegrams .....	987.14
Publication of Reports and Other Materials .....	470.64
Office Stationery, Supplies and Equipment .....	1,746.28
Expenses of Board members .....	1,944.80
	<hr/>
	\$55,237.01

The administrative expenses of the Board are met by a vote in the Estimates of the Department of Fisheries.

## FISHERIES PRICES SUPPORT ACCOUNT

Statement of Operations for the Year Ended March 31, 1967

### NEWFOUNDLAND AND QUEBEC DRIED COD SUPPORT PROGRAMME (1964 Production)

Additional charges relating to purchases, accrued at March 31, 1966:

Trucking .....	\$	474.60
Storage .....		206.20

Final adjustment of total charges as at March 31, 1966 .....	\$	680.80
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### CANNED MACKEREL FOR WORLD FOOD PROGRAMME

Receipts from sales to World Food Programme,		
2,980 cases of 24-15 oz. tins at \$5.75 .....	\$	17,135.00
Add: Inland transportation charges recovered .....		371.87
Miscellaneous charges recovered .....		206.52
Total receipts from sales .....	\$	17,713.39

Deduct:

Purchases, 22,667 cases at \$5.75 .....	\$	130,335.25
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Add: Storage charges .....	1,374.32
Transportation charges ....	371.87
Miscellaneous charges ....	206.52

Total cost of purchases .....	\$	132,287.96
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Less: Inventory, 19,687 cases,

March 31, 1967 .....	\$	113,200.25	\$	19,087.71
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Loss on sales .....	\$	1,374.32
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# LAKE ERIE YELLOW PERCH PROGRAMME

Receipts from sales .....\$ 132,540.39

Add:

Storage charges recovered ..... 6,051.13 \$138,591.52

Deduct:

Purchases .....\$ 184,598.39

Add: Storage charges ..... 7,064.23

Total cost of purchases .....\$ 191,662.62

Less: Inventory at cost, March

31, 1967, plus storage ..... 53,071.10 \$138,591.52

Profit or Loss on programme ..... Nil

Loss on 1966-67 Operations .....\$ 2,055.12





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